

Comptroller of the Treasury
Division of Property Assessments

1967-2007

40th

Recognizing 40 years of Assessment Administration

DIVISION OF PROPERTY ASSESSMENTS

2007 ANNUAL REPORT

DIVISION OF PROPERTY ASSESSMENTS

COMPTROLLER OF THE TREASURY

CORE IDEOLOGY/MISSION STATEMENT

OUR CORE VALUES:

Honesty and Integrity — We must be honest in all we do and all we say in order to reflect the highest degree of integrity.

Accuracy and Reliability — The work we produce must be relevant, correct, professional, timely, and objective. Decision-makers and their publics must be able to depend on our work.

Accountability — We must accept personal responsibility for the work we each perform and the Division must take organizational responsibility for the work we collectively perform.

OUR PURPOSE:

Our purpose is to serve the people of Tennessee by ensuring fair and equitable property tax administration.

OUR MISSION:

Our mission is to make government work better to improve the quality of life for all Tennesseans by ensuring superior administration of the property tax system.

ASSESSMENT ADMINISTRATION

Recognizing 40 Years of Assessment Administration



LETTER FROM THE DIRECTOR

Members of the Board:



The 2007 Annual Report of the Division of Property Assessments is presented in accordance with T.C.A. § 67-1-202(7). This report provides an overview of the Division's activities during the past year as we fulfilled our mission and administered Tennessee's outstanding property tax system.

Since May 25th, 1967 we have remained committed to our purpose of ensuring fair and equitable property tax administration. I am proud of the hard work, proficiency, and professionalism of the Division staff, and I am continually amazed by their dedication to public service.

This report represents assessments and tax billings produced on 3.2 million properties in 95 counties and 285 municipalities. While maintaining our focus on public service, we continually improve the quality of our work and become more efficient using the tools of current technology.

My sincere thanks and appreciation are expressed to the Division staff that prepared this publication. I also wish to express my gratitude to those who support this Division and help us accomplish our mission, including the Comptroller of the Treasury, the State Board of Equalization, and the Property Assessors.

Sincerely,

David Sherrill

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Director - Division of Property Assessments
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ASSESSMENT ADMINISTRATION



*Reflecting the Past
Serving the Present
Shaping the Future*



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EXECUTIVE SUMMARY



Introduction

The 2007 Annual Report of the Division of Property Assessments (DPA) is submitted to the State Board of Equalization (SBOE) and contains reports on various programs administered by the DPA, as well as selected historical information.

The DPA continues its efforts to improve administration of the property assessment function in Tennessee. Improvements in the areas of division responsibility enumerated below ensure the DPA achieves the established goals.

The following comments briefly recap the activities of the DPA during the 2007 fiscal year. The remainder of this report summarizes the services and products of each section of the division. We continually pursue improvements in all these areas.

Assessment Systems

Computerized assessment records of real and personal property are maintained for 89 counties and 281 cities in tax billing programs.

An enhancement of MapViewer to include GPS functionality as well as other improvements was completed in FY 2006-07. Use of MapViewer has grown, with over 100 state users and over 300 county users in 39 counties.



Field Operations

Appraisal ratio studies were performed in 38 counties for 2007 pursuant to T.C.A. § 67-5-1604 and 1605.

Eighteen counties were reappraised in accordance with reappraisal plans submitted by assessors of property and approved by the SBOE pursuant to T.C.A. § 67-5-1601.

Current Value Update analysis was performed in 10 counties in accordance with T.C.A. § 67-5-1601.



Monitoring activities were conducted in all 95 counties to ensure the accuracy of the property characteristic data, sales information, mapping and administrative functions. County personal property audit programs initiated in January 2000 continue to improve the uniformity and equity of personal property.

State reappraisal grants totaling \$2,183,000 which includes \$255,411 in subsidies were administered to all 95 counties.

GIS/Mapping

Approximately 10,000 county property ownership maps were updated reflecting changes in ownership and physical characteristics. There were also 27,000 maps reproduced resulting in \$50,000 in revenue.

EXECUTIVE SUMMARY

Legal Services

The following acts, that affect property tax administration, were passed during the 2007 Session of the 105th General Assembly: Public Chapters 98 and 11 amends TCA § 67-5-1412, Public Chapter 332 amends TCA § 67-5-1512(b)(1)(B), Public Chapter 256, Public Chapter 133, Public Chapter 473, Public Chapter 66, Public Chapter 514, Public Chapter 38, Public Chapter 37, Public Chapter 292, Public Chapter 179, Public Chapter 539, Public Chapter 553, Public Chapter 581, Public Chapter 132, Public Chapter 482, Public Chapter 449, Public Chapter 58, and Public Chapter 132.

Property Tax Relief

The income limit for elderly and disabled homeowners was increased to \$20,000 in 2006. The market value limit for the elderly and disabled was \$25,000 and \$175,000 for disabled veterans and their surviving spouses. There were approximately 88,000 claims for tax relief reimbursements.

Training

Schools and seminars were conducted across the state to provide professional and technical development for property assessors. The total cost for fiscal 2007 was \$44,910 for 217 students. Forty-one students in 2007 were private participants that paid \$14,365 to attend. The total division cost was \$30,545 for 176 students, a per student cost for tuition and books of \$173.55. This effort was in concert with the continued cooperation between the DPA and the University of Tennessee County Technical Assistance Service (CTAS) to develop and implement courses designed to meet the changing needs of our county assessors.

Other

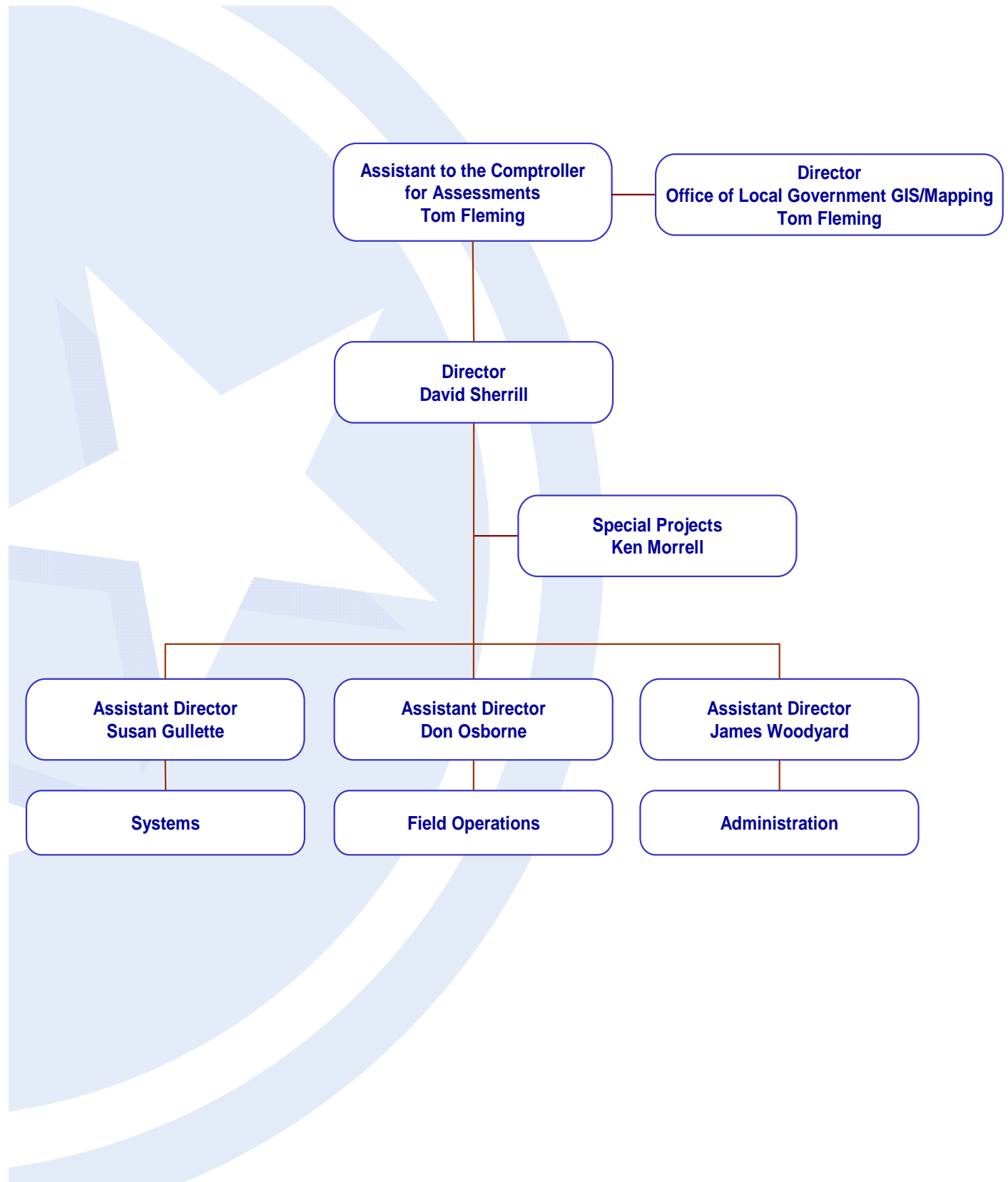
The DPA website remains a valuable resource. The site offers information regarding the assessment function, property tax relief for elderly or disabled persons, personal property information and property tax maps with ordering information. Lists of current assessors and trustees with property tax rates and reappraisal schedules are also available. A calendar of assessment education courses currently being offered by the DPA and the applicable registration form can be printed from the website. A list of current publications can also be referenced with ordering information, the 2007 Annual Report can be downloaded and several key DPA personnel can be contacted using their e-mail addresses provided on the website:

www.comptroller.state.tn.us/cpdivpa.htm

The DPA held the Sixteenth Annual Assessor Retreat September 11-13, 2006 at Montgomery Bell State Park. The retreat covered such topics as Ethics Standards for County Governments, Assessment Impact from Tornadoes and Other Disasters, Proration of Assessments, Implementing and Using a Geodatabase, and several multi-station demonstrations were conducted as well. The retreat offers an opportunity for DPA, OSAP and SBOE staff to discuss assessment matters with assessors from across the state.



ORGANIZATION



ADMINISTRATION



TOM FLEMING
44 Years of Service

Assistant to the Comptroller for Assessments



TERESA CZAP
24 Years of Service



DAVID SHERRILL
21 Years of Service

Director Division of Property Assessments



DON OSBORNE
30 Years of Service

Assistant Director for Field Operations

ADMINISTRATION



SUSAN GULLETTE
6 Years of Service

Assistant Director for Systems



ROANDA MILLIKEN
6 Years of Service



AMANDA DAVIDSON
4 Months of Service



JAMES WOODYARD
31 Years of Service

Assistant Director for Administration











LEE ANN KING
4 Months of Service

GOALS AND OBJECTIVES

The Division of Property Assessments (DPA) was established in 1967 as the result of legislation enacted by the Eighty-fifth General Assembly. The duties of the DPA are enumerated in T.C.A. § 67-1-202. From 1967 through 1977 the division's primary function was supervision of the statewide mapping and reappraisal programs mandated by T.C.A. § 67-1718. This section was subsequently deleted.

Upon completion of the reappraisal programs begun in 1967, the DPA began work toward completion of a statewide computer-assisted tax billing system and a long-range plan for periodic reappraisal of locally assessed real property. The goal of achieving a statewide computer-assisted tax billing system was realized in 1985. The goal to establish a long-range plan for systematic reappraisal of locally assessed real property was realized with the passage of Chapter 495, Public Acts of 1989. The initial cycle of reappraisal in every county in the state, required by legislation enacted in 1980, was completed in 1991. The current goals of the DPA are as follows:

-  To ensure the professional administration of property tax programs in all taxing jurisdictions pursuant to T.C.A. § 67-1-201 through § 67-1-514, 1 through 10, T.C.A. § 67-5-101 through 67-5-1703.
-  To ensure a standardized record-keeping system for all property tax records through the continued use of the division's computerized appraisal and tax billing system.
-  To ensure an up-to-date and equitable property tax base in all taxing jurisdictions through continuing county reappraisal efforts and the maintenance of the division's Computer Assisted Appraisal System, pursuant to T.C.A. § 67-5-1601 through 67-5-1603.
-  To ensure a high degree of competency and a broad base of appraisal knowledge among all county property assessors and collecting officials through the division's assessment certification and education program.
-  To administer the Property Tax Relief Program in such a manner that all low-income elderly, disabled, disabled veterans and surviving spouses of disabled veterans who qualify will receive timely and accurate rebates in accordance with generally accepted governmental accounting standards.
-  To ensure county property ownership maps are accurate and current so assessing officials can correctly locate property boundaries and related information, and to ensure counties comply with T.C.A. § 67-5-806(b), which requires maps to be filed annually in the office of the Register of Deeds.
-  To accomplish appraisal ratio studies in every county as determined by the State Board of Equalization and pursuant to T.C.A. § 67-5-1604 through 67-5-1606.
-  To monitor on-site review and valuation of properties, provide valuation assistance, develop valuation indexes and audit assessor performance in accordance with T.C.A. § 67-5-1601 (d) (1).



Assessment Systems Supervisor

TIM SANDS
22 Years of Service



MARK CORLEY
2 Years of Service



LAURIE PINKLETON
23 Years of Service



PHYLLIS ZARECOR
4 Years of Service



Tax Billing Supervisor

GWEN CUFFMAN
25 Years of Service



MIKE BRAY
12 Years of Service



Special Projects

KEN MORRELL
22 Years of Service

ASSESSMENT SYSTEMS

ASSESSMENT SYSTEMS

PAST - The 85th General Assembly followed by the Property Assessment and Classification Act of 1973 required the Division of Property Assessments (DPA) to assist and guide in the administration of the annual assessment process. Prior to these legislative actions, ownership records and uniformity of assessments were lacking in Tennessee. The DPA was to provide the continued maintenance of ownership cards, property record cards, assessment rolls, tax rolls and receipts and such other information as may be required by the State Board of Equalization. Meeting these requirements has been the specific goal of the Assessments Systems Section of the DPA.

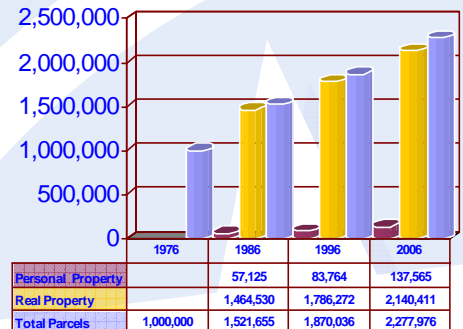
A reliable method for the administration of property ownership and tax billing records began with the NAL System. As appraisal techniques have improved and new methods for utilizing data were needed, the Assessment Systems Section has implemented improvements in the maintenance and application of data used for assessment purposes.

- **NAL-Assessment Rolls & Tax Billing** – Beginning in 1972, the DPA began offering taxing jurisdictions a computerized system for the organization and publishing of Assessment Rolls, Assessment Change Notices, Tax Notices, Receipts and Tax Rolls.
- **Howzomatic** – Computer Assisted Appraisal System (CAAS) I was initially a reappraisal tool that also allowed assessors an opportunity to perform statistical research to judge the effectiveness of the program.
- **CAAS II** – Provided the 1st sketching of major improvements. Card maintained the improvement and land description through listing of structural elements, measurements and condition data.
- **Ratio Studies** – In 1981 TCA 67-684 required ratio studies be performed every two years. Initially ratio studies began as a manual process of field data collection.
- **Tax Aggregate Report** – Assessment Systems first began producing the Tax Aggregate Report for the State Board of Equalization in 1990. Report includes assessment and tax information for all taxing jurisdictions in Tennessee.
- **Personal Property** – Before the adoption of the Personal Property Rules in 1989, Personal Property assessment and billing was the responsibility of Assessment Systems. Personal Property Summaries and Schedules are still maintained by Assessment Systems.
- **CAAS III** – National Association of State Information Resource Executives (NASIRE) presents award to DPA CAAS III System in 1990.

PRESENT -

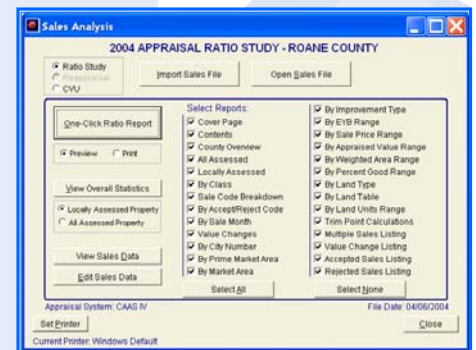
- **CAAS III** – CAAS III remains an effective valuation system. As county assessment offices have advanced in technical training and competency, improvements in system's management and applications have allowed data to be manipulated and applied in new ways.

1976-2006 County Tax Billing

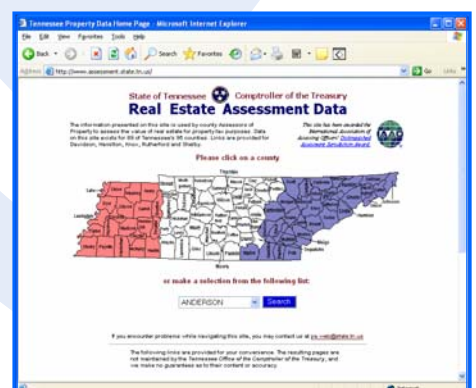


*Totals do not include municipalities

Appraisal Ratio - Sales Analysis Screen

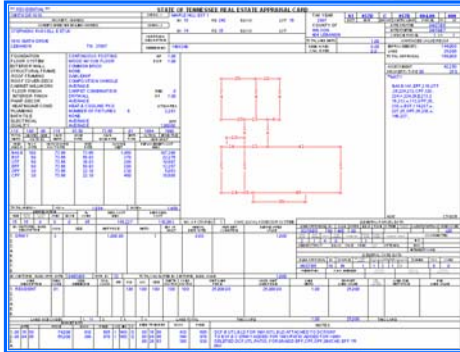


Real Estate Assessment Data Website



ASSESSMENT SYSTEMS

Current Property Record Card



The image shows a screenshot of a 'Current Property Record Card' from the State of Tennessee Real Estate Assessment Card. It is a complex data entry form with numerous fields for property information, including owner details, address, and assessment data. A central feature is a sketch of a property structure, which appears to be a house with a garage and a driveway. The form is divided into several sections, with the sketch occupying a significant portion of the upper right area.

- **CAAS IV** – An upgrade of CAAS III with improved access for users and truer representation of the structures through the sketch program provided by APEX.
- **Appraisal Ratio Studies** – Development of a new Windows-based appraisal ratio study program, featuring one-click production of the entire ratio study report for the selected county. Data maintained by Assessment Systems is used to measure assessment levels and appraisal performance.
- **Reappraisals and CVU's** – Reappraisals and CVU's rely on the information stored by Assessment Systems to perform analysis, establish base rates, develop index factors, print personal property schedules, initiate mass land updates and run ratio studies. On average approximately 18 counties are reappraised and 10 counties are analyzed for CVU's every year.
- **Web & Intranet Design** – Design and testing of the Real Estate Assessment Data website, which provides free public access to assessment data for all CAAS counties, currently eight-nine (89). This website, implemented in 2001, now has over 200,000 visits per month. The International Association of Assessing Officers (IAAO) presented their Distinguished Assessment Jurisdiction Award to the State of Tennessee, Comptroller of the Treasury for the Real Estate Assessment Data website in 2003.

In addition to the Real Estate Assessment Data website, Assessment Systems also incorporates this assessment data into the Intranet, an internal website for use by departments and divisions throughout the Office of the Comptroller.

FUTURE -

Assessment Systems' goals for the future will not change. Data integrity, accuracy and the timely delivery of services to assessment jurisdictions will always be essential to equitable and uniform assessment. The methods used to ensure data integrity, accuracy and provide access will change.



Integrated Multi Processing of Administrative CAMA Technology

- **Integrated Multi Processing of Administrative CAMA Technology (IMPACT)** - will dictate the future. IMPACT is a cooperative union of several partners to improve the integration of data and services so redundancy is reduced and access is improved. Some of the considerations for Assessment Systems are:
- **Appraisal Modeling Through IMPACT** – Looking at alternative valuation techniques for property appraisal through statistical modeling. This will require coding format changes for the existing data and substantial training in software application and field data collection.
- **Improved Access** – Assessment Systems will continue to improve access to data for the public and for local assessment jurisdictions. Migrating to PC level application with centralized servers from the Mainframe is a reasonable evolution. This evolution will allow local jurisdictions an increased level of autonomy.

ASSESSMENT SYSTEMS

- **Paperless Conversion** – One of the advantages to a migration from the Mainframe to a PC environment will be a substantial reduction in paper use.

SPECIAL PROJECTS

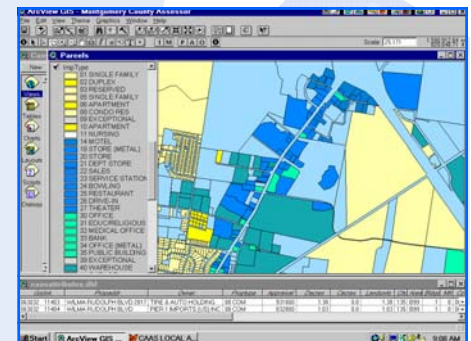
PAST - The Special Projects section was created in October 1997 in order to dedicate resources full-time to address a variety of projects and tasks that are in addition to those in the ordinary workflow of the division. The Special Projects Manager reports directly to the division Director.

By its very nature, the work of Special Projects covers a wide-ranging assortment of endeavors, and includes areas such as technology, Geographic Information Systems (GIS), and legislative/policy research. Highlights of the efforts in which the Special Projects section has been involved since its inception include:

- **CAAS Local Assessor System** – Continued support and development of the CAAS Local Assessor System (originally released in 1996). This system is a PC-based application that provides Assessors and division staff the ability to quickly search and query a copy of the CAAS data residing at the local level. A property record card produced from the system is shown on the previous page and a sample screen showing the basic parcel search parameters is displayed to the right. An advanced search feature enables queries using combinations of any fields in the database.
- **CAAS / GIS Link** – Modification and implementation of initial GIS analysis functionality developed during the course of the GIS pilot project, linking the CAAS Local Assessor System and ArcView 3.2.
- **Y2K** – Participation in department-wide initiatives to prevent system failures with the advent of the Year 2000.
- **MapViewer** – Development of the MapViewer GIS viewing and analysis application. This application was first installed in division regional offices in 2004. In 2005, it was enhanced and made available to other Comptroller divisions and to assessors' offices upon request.
- **Assessor/Trustee Seminars** – Program coordination for joint seminars for county Assessors of Property and Trustees sponsored by the Division of Property Assessments in 2004 and 2005. The purpose of these seminars was to encourage understanding and cooperation between Assessors and Trustees. The topics discussed were identified as being relevant to both groups. These seminars were held in three locations across the state.
- **Tax Relief Study** – Performed a detailed internal study of the Property Tax Relief Program during the latter part of 2005. The purpose of this effort was to study Tennessee's Property Tax Relief Program from a historical and current perspective in order to assist policymakers in

CAAS Local Assessor System

CAAS Local Assessor System and ArcView 3.2



Windows-based appraisal ratio study program

ASSESSMENT SYSTEMS

First Rendition of Map Viewer



shaping the future of Tax Relief.

- **GIS** – Coordinated a study group comprised of personnel from the Division of Property Assessments and the Office of Local Government in 2006 to establish roles and responsibilities for regional GIS support of state staff and assessors' offices
- **GIS Shapefile Creation** – Development of an application using ArcGIS 9.x tools to extract shapefiles from geodatabases for use in MapViewer and other GIS applications

PRESENT - Special Projects efforts during FY 2006-07 included the following areas:

- **MapViewer** – Enhancement of MapViewer to include GPS functionality as well as other improvements was completed in FY 2006-07. Use of MapViewer has grown, with over 100 state users and over 300 county users in 39 counties.
- **IMPACT** – Participation on the IMPACT project core team.
- **Property Tax Freeze** – Preparation of an issues document and numerous projections and analyses of the impact of the Property Tax Freeze constitutional amendment passed in late 2006.
- **GIS Shapefile Improvements** – Modification of the program using ArcGIS 9.x tools to extract shapefiles from new version 9.2 geodatabases for use in MapViewer and other GIS applications.

FUTURE - Ever-changing issues before policymakers result in a variety of sometimes unexpected requests for information and analysis. This makes the specifics of future Special Projects activities difficult to predict. However, with respect to recurring or ongoing efforts, some future direction can be seen.

- **MapViewer** – Evaluate the future direction of MapViewer in light of newer technology available.
- **GIS** – Continue to support division GIS use while adapting the current environment to relate to newly released operating systems and versions of ArcGIS software and increase the level of incorporation of GIS into legislative/policy analyses.
- **IMPACT** – Continue to work toward the integration of CAMA technology, the ultimate goal of the IMPACT project.

Map Viewer with Enhanced GPS Functionality



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Assistant Director for Field Operations

DON OSBORNE
30 Years of Service

AREA MANAGERS



DON OSBORNE
30 Years of Service



BOBBY SPENCER
32 Years of Service



JIM WEAVER
35 Years of Service

STATE VALUATION COORDINATOR



BARRY MONSON
4 Years of Service

PERSONAL PROPERTY



MANDY DEATRICK
7 Years of Service



CARINA PRYOR
6 Years of Service

APPRAISAL SYSTEMS ANALYST



REGINA WRIGHT
11 Years of Service

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BRYAN KINSEY
15 Years of Service

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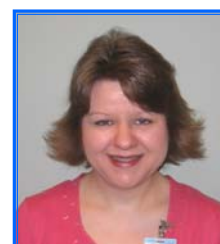
BRIAN ALBEA
12 Years of Service



DAVID ANDERSON
9 Years of Service



JOE BOGLE
4 Years of Service



RONDA BOULTON
6 Months of Service



DAVID GILLARD
21 Years of Service



DONNA MOYERS
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THELMA THOMPSON
12 Years of Service



CAROLYN VAUGHN
7 Years of Service



FALISHA WINDOM
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RAY WEATHERLY
30 Years of Service



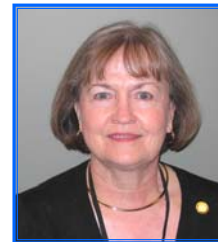
WANDA ANTHONY
18 Years of Service



MARY ALICE BREEDEN
22 Years of Service



KAREN FLANIGAN
1 Year of Service



SHIRLEY MULLINS
14 Years of Service



CARY PINKERTON
26 Years of Service



EDDIE REDFEARN
28 Years of Service



RICKY ROE
25 Years of Service



MARK VOLNER
12 Years of Service



DEBBIE WILSON
2 Years of Service

FIELD OPERATIONS

REGION 3

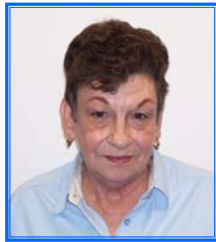


JOE GRIFFIN
5 Years of Service

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Airport Office



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PAUL FORNES
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CANDICE HAGGARD
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DERRICK HAMMOND
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BECKY LEEMAN
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CHARLES LEEMAN
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BRUCE SCHWARTZ
4 Years of Service



BILL WELLS
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AMY ENDSLEY-JONES
7 Years of Service



KEITH CURTIS
8 Years of Service



GEORGE HOCH
13 Years of Service



ANGIE MASSA
7 Years of Service



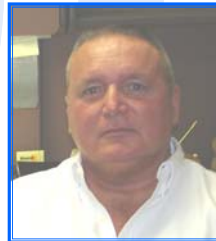
KEITH MATHENY
10 Years of Service



BILL ROLAND
27 Years of Service



LAURA SPIRES
8 Years of Service



CHARLIE WINCHESTER
38 Years of Service



ROXANNE WRIGHT
9 Years of Service

FIELD OPERATIONS

REGION 5



RAY BRYANT
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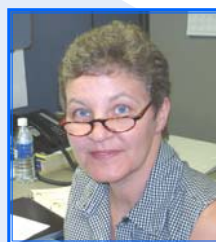
Cookeville DPA Office



PAUL AUSTIN
8 Years of Service



SONYA BOWLING-BROWN
9 Years of Service



PAULA GARRETT
23 Years of Service



TOMMY ROOKER
29 Years of Service



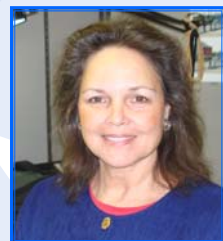
TOM SOUTH
4 Years of Service



TERRY STINETT
22 Years of Service



WANDA TAYLOR
30 Years of Service



THERESA WILLIAMS
3 Years of Service



FRED WILSON
30 Years of Service



SHERRIE WILSON
2 Years of Service



J.R. YOUNG
6 Years of Service

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BOBBY SPENCER
32 Years of Service



GLENN BICKFORD
23 Years of Service



TOM DILLON
19 Years of Service



KEN FARRIS
38 Years of Service



PENNIE FERGUSON
4 Years of Service



LON KAPRIVE
19 Years of Service



LEAH LASATER
1 Year of Service



BRAD MCCOY
27 Years of Service



LIZ STOVALL
21 Years of Service



BILLY TAYLOR
30 Years of Service



DANNY TAYLOR
30 Years of Service



TOM WINFREE
35 Years of Service

FIELD OPERATIONS

REGION 7



LYLE LANE
29 Years of Service

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Knoxville Office



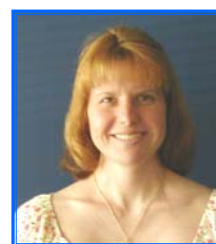
RYAN CAVANAH
4 Years of Service



JERRY CLEAR
33 Years of Service



KEITH GIBSON
25 Years of Service



SHELLEY JONES
3 Years of Service



STEVE NELSON
25 Years of Service



TODD ORR
10 Years of Service



JOHN REYNAR
20 Years of Service



BRIAN WALKER
13 Years of Service

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LYNN TENPENNY
25 Years of Service



CAROLE COOK
4 Years of Service



ROOSEVELT JAMES
11 Years of Service



LOU SMITH
19 Years of Service



KAREN VANCE
27 Years of Service



CLAUDE WEEMS
11 Years of Service



DAVID WILLS
22 Years of Service

FIELD OPERATIONS

REGION 9



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23 Years of Service

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Fax: (423) 434-6597
Supervisor-Jess Conway, AAS



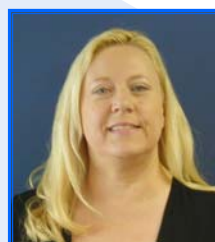
Johnson City Office



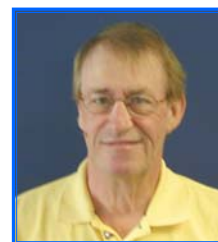
LUM DEAL
28 Years of Service



RHONDA DUNCAN
21 Years of Service



PHYLLIS HOLT
24 Years of Service



JIM LEE
8 Years of Service



SCOTT MORGAN
1 Year of Service



BOBBY ROUSE
22 Years of Service

FIELD OPERATIONS

PAST - The duties of the Division of Property Assessments (DPA) are enumerated in T.C.A. § 67-1-202. From 1967 through 1977 the division's primary function was supervision of the statewide mapping and reappraisal programs mandated by T.C.A. § 67-1718. This section was subsequently deleted. The goal to establish a long-range plan for systematic reappraisal of locally assessed real property was realized with the passage of Chapter 495, Public Acts of 1989. The initial cycle of reappraisal in every county in the state, required by legislation enacted in 1980, was completed in 1991. As property tax legislation and technology evolved so has the role of the Field Operations Section of DPA. While many functions remain the same, new responsibilities have been added: Wetlands Acquisition, archiving Economic Development Agreements, Personal Property Plans and Audits and Appeal support.

Early Field Appraisal Office



- **Staffing** – The DPA began in 1967 with a staff of nine. By 1974 the DPA had assumed more appraisal functions and had grown to 110 employees. Eighty (80) counties had completed reappraisals by 1974. The remaining fifteen (15) had projected 1978 completion dates.
- **Field Work** – The responsibilities of the DPA field appraisal staff have remained constant regarding data accuracy, appraisal functions and appraisal performance since the initial mandate in 1967. The areas of support and the degree of DPA involvement have changed. The nine original staff members were predominately concerned with oversight regarding reappraisal and mapping contractors performing the statewide planimetric mapping program and various county reappraisal programs. As counties completed the first appraisals, it was realized that reappraisal would be needed for each county, periodically, to maintain the accomplishments of the initial efforts.

DPA Field Operations began the Reappraisal Phase in the early 80's. Rather than an oversight capacity, the Field Operations Section began a hands-on effort to complete reappraisals of all applicable counties in the state. Nine regional offices, across the state, concentrated on little else until all counties were reappraised in 1991. The Public Acts of 1989 would require the DPA Field Operations staff to address new responsibilities. The legislation required the DPA field staff to coordinate with counties to ensure quality control of property characteristics data and appraisal procedures.

- **Coordination** - The coordination of data processing activities consists of controlling the data between the DPA's Assessment Systems Section, Field Operations and the counties. In addition to providing technical Computer Assisted Appraisal System (CAAS) support to the counties, the field personnel worked to ensure the accuracy of the assessors' sales files used for current value updating and reappraisal and assist in reviewing the assessors' data files. To assist with the function of reviewing the assessors' data files, several edit programs designed for PC application have been developed. The edit programs allow the coordinators to review large amounts of data onsite and provide the assessors with reports on the status of the files immediately. The DPA plans to increase further develop of the PC applications and eventually provide the assessors with programs for their use.

FIELD OPERATIONS

- **Monitoring** - The Monitoring phase began with The Public Acts of 1989 which required that all counties select a reappraisal cycle and establish a reappraisal plan to accomplish the cycle. This transferred responsibility of reappraisal to the county and put DPA field staff in an oversight role. This legislation benefited from two critical ingredients: county assessment staff had thirteen years of classroom and practical field experience and the state and individual counties had seen the uniformity of the initial appraisals decline erasing their previous conscientious efforts. The monitoring of county appraisals by DPA field staff continues today.

A major function for Field Operations is monitoring the visual inspection conducted by the assessor's staff. The purpose of this monitoring effort is to ensure the accuracy of the data necessary for a successful reappraisal program. Specific guidelines were developed and are followed to provide consistent monitoring in each county across the state. The guidelines require Division of Property Assessments (DPA) staff members to visit properties from randomly selected maps to determine the accuracy of the measuring and listing of the property characteristic data. The monitoring also includes the review of a portion of the property boundary changes as reflected on the assessor's ownership maps and ownership and sales data information. The parcels are selected from the totals identified each quarter on the progress report submitted by the assessor. An analysis of the monitoring results is provided to the assessor for his/her review and for further action if necessary.

- **Reappraisal Grants** - T.C.A. § 67-5-1601, beginning January 1, 1981, provided economic assistance to counties performing reappraisals. These funds, an appropriation of the State Board of Equalization Loan Fund, are intended for use by each county to defray any reasonable and necessary reappraisal costs and may not be used to reduce or to offset reductions in local funding for routine assessment functions distinct from reappraisal. The state's four largest counties are also compensated for the performance of state reappraisal functions
- **Appraisal Ratio Studies** – Appraisal ratio studies in the past were predominately a manual process of gathering sales and appraisal data from the Register of Deeds and the Assessor's Office. Each county was visited and data compiled. Ratios and statistical measures of appraisal performance were calculated and transmitted to the Nashville DPA. The process was a time consuming and laborious task investing many man-hours. By the time that the Public Acts of 1989 were passed the process had been computerized and standards were established with regards to the particular cycle chosen by the county. Ratio studies identify two important ingredients; the level of appraisal in relation to sale price (appraisal ratio) and equity or uniformity. Initial ratio studies resulting from the mandate of the 85th General Assembly showed county appraisal ratios ranged from 9% - 30% of the indicated market value. By 1976 the median appraisal ratio for the state was 60%, with a range of 33% - 100% between counties.
- **Ratio Study Procedures** - The Division of Property Assessments has statutory responsibility for conducting appraisal ratio studies in all counties in Tennessee at least once every two years. The division coordinates all

1968 First Property Record Card

Detailed view of the earliest data inventory collection

FIELD OPERATIONS

phases of the study including data collection by assessors, sales data review by division field personnel, and the concluding analysis.

Prior to 1991, all counties in the state were included in the study with the exception of counties completing reappraisal. With the passage of Public Chapter 495, Acts 1989, the administration of the ratio study became more complex. The law established a six-year cycle of reappraisal with current value updates in the second and fourth year.

A subsequent amendment to the law allowing counties three different options of reappraisal cycles has required additional coordination of the timing of the studies in each county. The reappraisal options are:

- A four-year cycle with a ratio in the second year after reappraisal.
- A five-year cycle with a ratio in the second and fourth years after reappraisal.
- The basic six-year cycle with a ratio in the second and fifth year and a current value update in the third year after reappraisal if the appraisal ratio is less than ninety (90%) percent. If the ratio is greater than ninety percent (90%), the ratio as calculated is presented for adoption.

Assessing personnel use ratios in a variety of ways, including but not limited to the following:

- To identify potential problems with appraisal procedures.
- To provide for a current value update between reappraisals.
- To adjust sale prices for time.
- To develop depreciation schedules.
- To test reappraisal results.

The Comptroller of the Treasury, Division of Property Assessments (DPA) uses ratios to estimate the effective tax rate for each jurisdiction in order to calculate the amount of tax relief payments for qualified applicants.

The State Board of Equalization uses the ratios as follows:

- To equalize centrally assessed properties with locally assessed properties.
- To equalize values as determined through the appeal process.
- To equalize personal property with real property values.
- To equalize tax rates in cities that lie in more than one county.

The state local education agencies use ratios to equalize the assessed values in each county for use in the education funding formula.

FIELD OPERATIONS

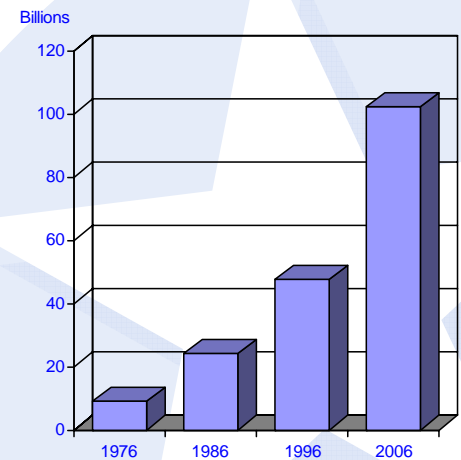
Municipally owned electric and gas systems use ratios to equalize tax rates for calculating the payments in lieu of tax payments in the jurisdictions they serve.

- **Current Value Updating** - Current Value Updating (CVU) remains an integral part of the assessment procedure resulting from legislation enacted in 1993, commonly referred to as the "90% law." This law established parameters for the level of appraisal within which updating would not be required. While CVU originally had been a means of keeping appraisals current in each county between reappraisal programs, it has become a mechanism through which (1) to keep values current in situations where there is substantial growth in the real estate market between reappraisals and (2) to correct any gross inequities that may be encountered.
- **Economic Development Agreements** - Beginning January 1, 1993, copies of industrial development leases and other similar agreements that include property tax incentives for business property were required to be submitted to the State Comptroller and to the county executive and city mayor where the property is located. (TCA 4-17-{301-305}). The division of property assessments is the comptroller's filing office for purposes of this statute.

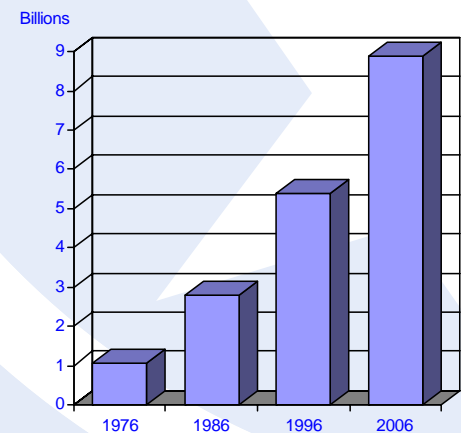
The law is designed to provide a statewide inventory, to promote local awareness and proper structuring of the agreements to achieve the intent of the parties, and to assure the uniform assessment treatment of leasehold interests created under the agreements. Agreements executed after January 1, 1993 must be filed within ten days of execution.

- **Tangible Personal Property** - The assessment of tangible personal property is governed by Tennessee statutes and the Assessment of Commercial and Industrial Tangible Personal Property rules adopted by the State Board of Equalization (SBE). The rules call for personal property to be appraised based on an original cost method of valuation while T.C.A. § 67-5-903 establishes depreciation schedules for determining value. Prior to the 1989 tax year, the procedures for valuing personal property were determined on a county-by-county basis. In tax year 1989 the Assessment of Commercial and Industrial Tangible Personal Property Rules took effect establishing uniform procedures for personal property valuation for all counties in the state. The rules created eight personal property groups and provided uniform life expectancy guidelines for each group. The groups' life expectancy was used to develop depreciation factors based on the straight-line method. Two additional groups were subsequently established. Chapter 1075, Public Acts of 1990 provided statutory guidelines which modified the life expectancies and added a group nine for vehicles. Chapter 323, Public Acts of 1993 provided for a group ten specifically for Construction In Process (CIP). For CIP the rate of 15 percent was applied to the total cost reported under Internal Revenue Service standards. Although the rules adopted in 1989 standardized valuation and depreciation, the personal property system remained self reporting. This factor along with others precipitated litigation by railroads

Total Assessed Value-Real Property

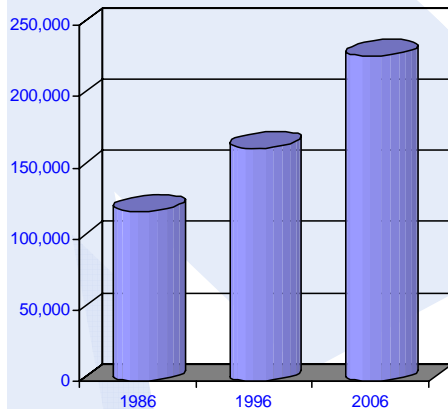


Total Assessed Value-Personal Property



FIELD OPERATIONS

Personal Property Parcel Counts



and airlines asserting that commercial and industrial tangible personal property are underreported as well as undervalued. They contended that commercial and industrial taxpayers do not report all of their assets, and because local assessors do not have an established audit program, personal property is undervalued in Tennessee. As a result of the settlement reached by SBE and the plaintiffs, counties were required to establish an audit program to ensure compliance of personal property schedule reporting. The plaintiffs assisted the SBE in development of a personal property audit program to be used by all counties in the state. A part of the settlement agreement provides that, "If a county does not implement or use the audit program or an approved alternative program in any given year, then the utilities will be entitled to an additional five percent equalization reduction in its tangible personal property assessments (other than forced accounts) for such year." This additional equalization became effective January 1, 1998

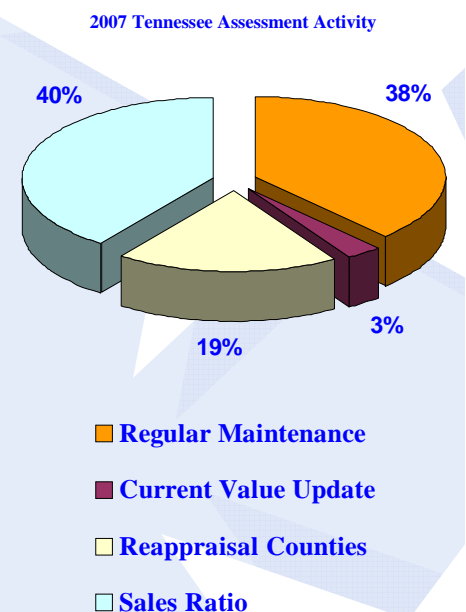
PRESENT - As the Field Operations Section has had to adapt to address new technology and new legislation, the goals have remained constant over the past forty years. The quality of the data used for appraisal remains essential to the quality of the output resulting from those appraisals. Ensuring equity and fairness in the property tax system for all Tennessee assessment jurisdictions has required that the Field Operations Section adapt procedures and applications as technology has improved and additional responsibilities have been added.

- **Staffing** - As a result of a reorganization of the division in the early 1990's, the field operations section evolved into its present configuration. Currently, the section is comprised of approximately 120 personnel assigned to 9 Assessment Regions operating in seven offices located throughout the state, as well as in the division's downtown Nashville offices.
- **Field Work** - The regional staffs are responsible for monitoring the quality and quantity of annual maintenance and work accomplished during the visual inspection cycle and reappraisal programs performed by the assessors. In addition, the Field Operations Section also provides technical assistance to assessors, develops current value updates, conducts appraisal ratio studies, defends property value appeals and administers the reappraisal grant program.
- **Monitoring** - During Fiscal Year (FY) 2006-2007, the monitoring effort of the DPA included working in all 95 counties and reviewing property characteristic data on all property types. Summaries of the monitoring efforts completed in each county will be provided to the Division of County Audit for inclusion in the annual audit reports.
- **Reappraisal Grants** - A total of \$2,183,000 was granted in FY 2006-2007 to all counties in the state for the purpose of conducting visual inspection and reappraisal according to T.C.A. §67-5-1601. The grants were issued in four quarterly installments to those counties which were judged to be in compliance with the schedules stipulated in their plans for reappraisal. Annual grant amounts for FY 2006-2007 are displayed on the end page of

FIELD OPERATIONS

this section.

- **Appraisal Ratio Studies** - The display on the end page of this section lists the counties for which a 2007 ratio study was performed. Also shown are counties scheduled for ratio studies in 2008 and the current ratios approved by the State Board of Equalization for all counties at their June 21, 2007 meeting.
- **Current Value Updating** - Ten (10) counties were analyzed this year. Three (3) counties required valuation updating. Sales data used in current value update analysis were extracted from the assessor's CAAS file and screened by DPA personnel. Considerable effort was expended to ensure the quality of the sales data. In-depth data analysis was performed for each county including analyses by property classification, vacant/improved status, geographical area, neighborhood code, improvement type, land description code and other breakdowns as needed. In all cases, sales from calendar year 2006 were used in the analysis.
- **Economic Development Agreements** - Public Chapter 339 of 2001 amended TCA 7-53-305 to include an analysis of the costs and benefits resulting from the Economic Development Agreement. This requirement was for all agreements finalized after January 1, 2002. This law also requires that agreements for a period in excess of twenty years be submitted for review by the Commissioner of Economic and Community Development and the Comptroller both of whom must make a written determination that such agreement is in the best interest of the state. This office monitors the term of the agreements and also assures that a cost benefit analysis accompanies agreements filed after January 1, 2002. As of the end of fiscal year 2007 a total of nine-hundred and thirty-one (931) agreements were filed with this office from sixty-one (61) counties. Sixty-one (61) agreements were filed this year from fourteen (14) counties.
- **Tangible Personal Property** - As of 2000, all counties had submitted approved personal property audit plans. To ensure adherence to the proposed plan and each county's audit methodology, the Division of Property Assessments (DPA) implemented a monitoring program for all 95 counties. The state is divided into five geographic areas, each with approximately 19 counties per area. Personal property coordinators evaluate the compliance of each county in their respective area.
- **Personal Property Audit Programs** – Approved audit plans consist of three phases: discovery, desk reviews and field audits. Counties have two choices, perform the program in-house or perform parts of the program in-house and contract the remainder. The discovery step is usually done in-house by counties. The desk reviews and audits are the phases that are commonly contracted out to private vendors by counties. The DPA monitors compliance for all phases. As part of the DPA's assistance, update seminars were held by the personal property analysts in seven locations across the state. These seminars covered personal property issues relative to monitoring, statutory requirements, downloading personal property data and legislation pertinent to personal property. Back assess-



FIELD OPERATIONS

ments and reassessments were also covered for assessors and trustees to familiarize both offices with the policies and procedures of back assessment and reassessment. These combined efforts of monitoring and instruction have produced satisfactory results with respect to county performance in the area of personal property auditing. Parcel counts have also risen from 124,291 in 1988 to 228,046 in 2006, an 83% increase over the 1988 parcel count. The shared goal of the division and the counties is to continue to improve performance in the coming years.

- **Wetlands Acquisition Program** - The division's responsibility under the wetlands acquisition program, as set forth in TCA 11-14-406(b), is to certify property tax revenue lost due to the exemption of acquired property, to the state Commissioner of Finance and Administration. The law requires the Commissioner to certify to the Comptroller, such information as is necessary to permit the Comptroller to identify property the state has acquired for wetlands preservation, on or before January 1 of each year. The Comptroller then determines the assessed value and the applicable tax rate(s), and certifies the lost property tax revenue by March 1 of each year. In determining the amount of lost revenue, the Comptroller is directed to apply the use value as the basis of assessments, provided the property would qualify normally. If not, the market value of similar properties is used.

The Commissioner certified a total of ten (10) properties to be allocated in two funds for the 2007 Fiscal Year. The State Land Acquisition Fund had five (5) properties certified and the Wetlands Acquisition Fund had five (5). The property tax revenue lost as a result of these purchases has been calculated and certified to Finance and Administration.

- **Appeal Assistance** - Appeals resulting from reappraisals performed by the assessor of property may be handled by DPA personnel upon request for assistance by the assessor of property. The DPA participation increases as the appeal moves through the process or when valuation techniques for a particular group of properties are appealed. DPA personnel provided appeal assistance to various counties in FY 2006-2007. Most of the assistance is accomplished by training assessors and their staffs for defense of values on residential properties. Specialized commercial properties requiring unique valuation approaches increase the role of the DPA in the appeal process. In cases where the outcome of the appeal results in a statewide impact on the valuation of like properties, the DPA intervenes as a party to the appeal along with the county. Property tax appeals in Tennessee typically represent one or more of four categories of complaint:
 - Property that is alleged to be erroneously classified or subclassified.
 - Property that has been assessed on the basis of an appraised value that is more than the basis of value provided for in TCA 67-5-601, 602 (more than market value)
 - Property other than that owned by the taxpayer that has been as-

FIELD OPERATIONS

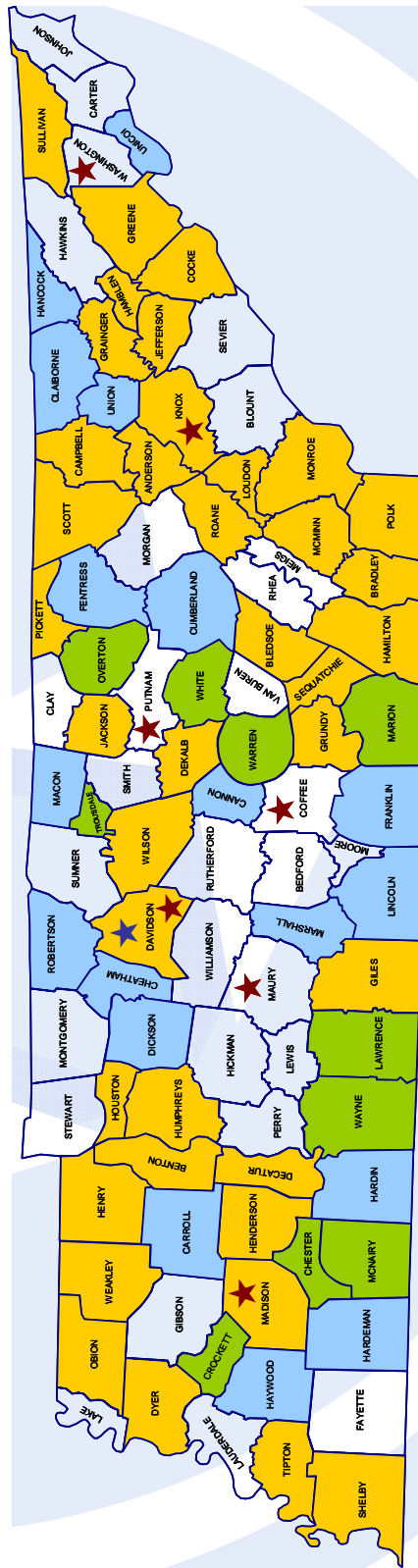
essed on the basis of appraised values which are less than the basis of value provided for in TCA 67-5-601,602.

- Property where the question of exempt status has been raised.

During 2006-2007 the division received formal requests from twenty-four (24) counties for appeal assistance. Assistance is ongoing with those counties and more requests are anticipated with the completion of the 2007 reappraisals of eighteen (18) counties.

FUTURE - As property tax legislation addresses the taxpayers changing needs and appraisal tools and technology continue to improve, the Field Operations Section of the Division of Property Assessments remains ready to implement new procedures and assume new responsibilities to accomplish its goal of making government work better to improve the quality of life for all Tennesseans by ensuring superior administration of the property tax system.

FIELD OPERATIONS



★ DPA MAIN OFFICE ★ DPA REGIONAL OFFICES

● 2007 REAPPRAISAL COUNTIES ● 2007 CVU COUNTIES ● 2007 APPRAISAL RATIO STUDY COUNTIES

COUNTY	PARCEL COUNTS	APPRAISAL RATIOS	GRANTS	COUNTY	PARCEL COUNTS	APPRAISAL RATIOS	GRANTS
ANDERSON	36,165	0.8471	\$22,422	HAMILTON	146,399	0.9273	\$90,767
BEDFORD	20,779	1.0000	\$12,883	HANCOCK	5,702	1.0000	\$3,535
BENTON	16,228	0.9664	\$10,061	HARDEMAN	20,404	1.0000	\$12,650
BLED SOE	10,616	0.8881	\$6,582	HARDIN	24,384	1.0000	\$15,118
BLOUNT	63,557	1.0000	\$39,405	HAWKINS	37,682	1.0000	\$23,363
BRAZEL	44,817	0.8594	\$27,787	HAYWOOD	11,629	1.0000	\$7,210
CAMPBELL	28,513	0.8493	\$17,678	HENDERSON	17,210	0.9546	\$10,670
CANNON	7,433	1.0000	\$4,608	HENRY	25,284	0.9086	\$15,676
CARROLL	18,221	1.0000	\$11,297	HICKMAN	18,331	0.9000	\$11,365
CARTER	31,646	1.0000	\$19,621	HOUSTON	6,130	0.8868	\$3,801
CHEATHAM	19,962	1.0000	\$12,376	HUMPHREYS	12,490	0.8580	\$7,744
CHESTER	9,056	0.9043	\$5,615	JACKSON	8,769	0.8400	\$5,437
CLAIBORNE	22,196	1.0000	\$13,762	JEFFERSON	31,744	0.8667	\$19,681
CLAY	6,612	1.0000	\$4,099	JOHNSON	13,600	1.0000	\$8,432
COCKE	23,512	0.8529	\$14,577	KNOX	180,488	0.9094	\$111,903
COFFEE	29,171	1.0000	\$18,086	LAKE	3,839	0.9597	\$2,380
CROCKETT	9,500	0.9315	\$5,890	LAUDERDALE	13,423	1.0000	\$8,322
CUMBERLAND	64,097	1.0000	\$39,740	LAWRENCE	23,220	0.9127	\$14,396
DAVIDSON	222,316	0.8780	\$137,836	LEWIS	7,579	1.0000	\$4,699
DECATUR	12,736	0.8179	\$7,896	LINCOLN	17,980	1.0000	\$11,148
DEKALB	17,206	0.8804	\$10,668	LOUDON	31,350	0.8409	\$19,437
DICKSON	25,184	1.0000	\$15,614	MACON	13,008	1.0000	\$8,065
DYER	20,856	0.8857	\$12,931	MADISON	45,905	0.9215	\$28,461
FAYETTE	20,703	0.9022	\$12,836	MARION	19,285	1.0000	\$11,957
FENTRESS	14,761	1.0000	\$9,152	MARSHALL	15,678	1.0000	\$9,720
FRANKLIN	23,714	1.0000	\$14,703	MAURY	38,079	1.0000	\$23,609
GIBSON	28,611	0.9350	\$17,739	MCMINN	29,367	0.8097	\$18,208
GILES	17,394	0.9406	\$10,784	MCNAIRY	17,548	0.9031	\$10,880
GRAINGER	14,872	0.8690	\$9,221	MEIGS	8,535	1.0000	\$5,292
GREENE	41,635	0.7816	\$25,814	MONROE	27,523	0.7643	\$17,064
GRUNDY	9,925	0.9371	\$6,154	MONTGOMERY	60,365	1.0000	\$37,426
HAMBLEN	29,540	0.8729	\$18,315	MOORE	3,732	1.0000	\$2,314
				MORGAN	14,644	1.0000	\$9,079
				OBION	19,500	0.8858	\$12,090
				OVERTON	14,325	1.0000	\$8,882
				PERRY	7,489	0.9558	\$4,643
				PICKETT	5,583	0.7946	\$3,461
				POLK	12,013	0.7720	\$7,448
				PUTNAM	34,377	1.0000	\$21,314
				RHEA	23,070	0.8891	\$14,303
				ROANE	34,931	0.8568	\$21,657
				ROBERTSON	32,770	1.0000	\$20,317
				RUTHERFORD	88,348	1.0000	\$54,776
				SCOTT	14,319	0.8133	\$8,878
				SEQUIATCHIE	10,594	0.9069	\$6,568
				SEVIER	73,976	1.0000	\$45,865
				SHELBY	345,154	0.9330	\$213,995
				SMITH	11,483	1.0000	\$7,119
				STEWART	11,854	0.9282	\$7,349
				SULLIVAN	84,047	0.8487	\$52,109
				SUMNER	66,820	1.0000	\$41,428
				TIPTON	29,424	0.8145	\$18,243
				TROUSDALE	4,563	0.9099	\$2,829
				UNICOI	11,100	1.0000	\$6,882
				UNION	14,020	1.0000	\$8,692
				VAN BUREN	5,474	0.9361	\$3,394
				WARREN	21,923	0.9608	\$13,592
				WASHINGTON	54,953	0.9054	\$34,071
				WAYNE	12,424	0.9204	\$7,703
				WEAKLEY	20,245	0.9258	\$12,552
				WHITE	16,296	1.0000	\$10,104
				WILLIAMSON	67,476	1.0000	\$41,835
				WILSON	47,628	0.9049	\$29,529
					3,109,019		\$1,927,589

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BOBBY LEE
22 Years of Service



JOHN ALLEN
3 Years of Service

**STAFF
ATTORNEY**

General Counsel to the Comptroller

LEGAL SERVICES

PRESENT - The first session of the 105th General Assembly opened at noon on Tuesday, January 9, 2007. While several bills were introduced affecting property tax issues only a few bills were pushed to passage. The following acts, which affect property tax administration, were passed during the 2007 Session of the 104th General Assembly.

APPEALS

- **Direct Appeals to the State Board of Equalization – Public Chapters 98 and 111** amended T.C.A. § 67-5-1412 concerning appeals from the county board of equalization to the State Board of Equalization. In 2005 legislation passed that allowed commercial and industrial taxpayers to request that they be allowed to appeal directly to the State Board thus bypassing the county board. Several counties were excluded from the statute which means, all taxpayers in those counties, must appeal first to the county board of equalization before seeking an appeal to the State Board.

Public Chapter 98 added Decatur County to the list of counties excluded from the statute. Therefore, the Decatur County Assessor cannot allow commercial and industrial taxpayers to appeal directly to the State Board of Equalization. Public Chapter 111 deleted the population class for Hamilton County. Therefore, commercial and industrial taxpayers in Hamilton County may request permission from the Hamilton County Assessor to appeal directly to the State Board of Equalization.

- **Public Chapter 51** also amended the statute concerning direct appeals to State Board. Currently the taxpayer or owner must request permission from the assessor to appeal directly to the State Board. The request must be made in writing within ten (10) days after the date the assessment notice for the property is sent or by June 1 of the tax year, whichever is later. Public Chapter 51 deleted the phrase “whichever is later” and adopted language to allow the assessor to prescribe another date for the request, but the date cannot be later than the adjournment date for the regular session of the county board of equalization.

- **Payment of Undisputed Portion of Tax Prior to Delinquency Date For Property Under Appeal – Public Chapter 332** amends T.C.A. § 67-5-1512(b)(1)(B) by providing that if any taxpayer appealing their assessment fails to pay the undisputed portion of the property tax and/or has any other property tax delinquency on the property by the time of the hearing, the appeal will be dismissed without any further right to administrative appeal.

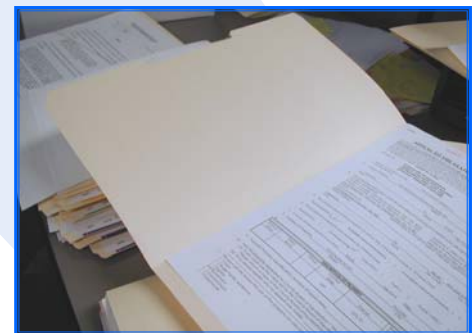
- **Appeal Fees – Public Chapter 256** amends the current statute requiring the State Board of Equalization to refund hearing cost if the appeal is withdrawn prior to a hearing. The Act provides that the amount due as the hearing cost may be due if the appeal is withdrawn or settled within seven (7) days of the scheduled hearing on the merits, unless any party requests postponement of the hearing within fourteen (14) days of the notice of the hearing. There will be a processing cost in the amount of ten dollars (\$10) due if the appeal is settled otherwise. The amount of the current hearing cost fees are as follows:

- twenty-five dollars (\$25) for properties valued at less than \$100,000
- thirty-five dollars (\$35) for property valued from \$100,000 to less than \$250,000

105th General Assembly convened January 9, 2007



Public Chapter 51 amended the statute concerning direct appeals to State Board



LEGAL SERVICES

- fifty dollars (\$50) for property valued from \$250,000 to less than \$400,000
- one hundred dollars (\$100) for property valued at \$400,000 or more.
- **Reasonable Cause Hearings – Public Chapter 133** amended the statute that gives the taxpayer a right to a hearing to show reasonable cause why the appeal was not made to the county board or why other appeal deadlines were not met. The original statute required that the appeal must have been filed by March 1 “of the year subsequent to the year in which the assessment was made.” Occasionally the appeal period will not commence until the year following the tax year, and the taxpayer loses the opportunity for a reasonable cause hearing before it accrues. The Act preserves the reasonable cause hearing in instances where the appeal period does not commence until the year following the tax year by fixing the deadline in the year after the appeal period begins to run, rather than in the year following the tax year.

ASSESSORS & DEPUTY ASSESSORS

- **County Officials Certification Training Program – Public Chapter 473** exempted payments made to assessors under T.C.A. § 67-1-508 from the offset against the amounts received under the County Officials Certification Training Program.

EXEMPTIONS

- **Nonprofit Community and Performing Arts Organizations – Public Chapter 66** clarified that local approval is required before the law will take effect in a county, but that local approval is not required for each applicant.

GREENBELT

- **Open Space Land – Public Chapter 514** amended statute to provide that the open space classification under the Greenbelt Law includes property in which the owner has granted an open space easement to a qualified conservation organization. A qualified conservation organization is a nonprofit organization that is approved by the board of trustees of the Tennessee Heritage Conservation Trust Fund. The organization must meet the eligibility criteria established by the Trust Fund to receive trust fund grants or loans. The portion of the property that is used as a home-site or other non-open space purpose would not qualify for the open space classification. If the owner of the land reserves additional land for future development, construction of improvements for private use or any other non-open space use, then that portion shall lose eligibility as “open space land” upon the change in the use. The property would be subject to a 10 year rollback plus an additional amount equal to 10% of the taxes saved. The owner must apply for the open space classification by filing an application with the assessor and recording a copy of the easement and the grantee’s written acceptance of the easement with the register of deeds.

Open Space Land - Public Chapter 514



This unique parcel represents the kind of special place the Tennessee Heritage Conservation Trust Fund will be seeking to protect through innovative partnership with private groups.

PERSONAL PROPERTY

- **Personal Property Reporting Schedule – Public Chapter 38** clarified that commercial and industrial taxpayers can file their tangible personal property reporting schedule “on or before” March 1.

LEGAL SERVICES

- **Amended Personal Property Schedule – Public Chapter 37** amended the statute which gives the taxpayer the authority to file an amended personal property schedule to require that the initial personal property schedule had to be filed “timely”. Current law (as amended by Public Chapter 38) requires commercial and industrial taxpayers to file a tangible personal reporting schedule on or before March 1 of each year.
- **Public Chapter 292** requires the assessor to review and either accept or reject an amended personal property schedule within 60 days from the receipt of the amended schedule. The assessor must notify the taxpayer of the results of the review in writing. If the assessor has not notified the taxpayer that the amended schedule has been accepted or rejected within the 60 days, the amended schedule is deemed to be not accepted.
- **Correction of Error & Forced Assessments – Public Chapter 179** allows the assessor to correct a forced assessment as a correction of error when it is determined that the taxpayer was not in business as of the assessment date for the year at issue. The assessor must determine that the taxpayer did not own or lease tangible personal property used in a business on January 1 of the tax year when the forced assessment was made. The correction of error must be made by March 1 of the second year past the assessment date and cannot be made if suit has been filed to collect the tax on the assessment as a delinquency.

2007 Property Tax Relief Brochures



These brochures detail the Property Tax Relief legislative updates and can be printed from our website

PROPERTY TAX RELIEF

- **Income Limits – Public Chapter 539** increases the base income limit for elderly property tax relief qualification to \$24,000.
- **Disabled Veterans – Public Chapter 553** deletes the requirement that a disabled veteran's disability be from a combat-related cause so that any veteran who has service-connected permanent and total disability would qualify for the tax relief.

PROPERTY TAX FREEZE

- **Tax Freeze** – In November 2006, Tennessee voters approved an amendment to the Tennessee Constitution authorizing a property tax freeze for elderly homeowners. This amendment to Article II, Section 28 of the Tennessee Constitution gives the General Assembly the authority by general law to authorize counties and municipalities to implement a local option property tax freeze for taxpayers 65 years of age or older.

Public Chapter 581 enacted the Property Tax Freeze Act which establishes the tax freeze program and allows the legislative body of any county or municipality to adopt the property tax freeze program.

Homeowners qualifying for the program will have the property taxes on their principal residence frozen at a base tax amount, the amount of taxes owed in the year they first qualify for the program. Thereafter, as long as the owner continues to qualify for the program, the amount of property taxes owed for that property will not change, even if there is a property tax rate increase.

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In order to qualify, the homeowner must file an application annually and must:

- Own their principal place of residence in a participating county and/or city.
- Be 65 years of age or older by the end of the year in which the application is filed.
- Have an income from all sources that does not exceed the county income limit established for that tax year.

In counties and municipalities participating in the Tax Freeze Program, application may be made to the county Trustee or city collecting official.

The state Comptroller's Office will calculate the income limit for each county annually using a formula outlined in state law.

Situations where the base tax amount would change for a homeowner are:

- When improvements are made to the property resulting in an increase in its value.
- When the homeowner sells their home and purchases another residence.

The tax freeze is available only on the principal place of residence of the qualifying homeowner located in a participating county or city. There are limitations on the amount of land that can be included for residential purposes in the program, and the program does not apply to portions of the property not used for residential purposes.

PUBLIC UTILITIES

- **Utility Filings and Audits – Public Chapter 132** specifies that the general law provisions regarding confidentiality of property tax information is applicable to assessments of public utility companies. The Act amended several statutes concerning the assessment of public utility property to clarify that certain information required to be submitted or obtained during an audit will be kept confidential. These assessments are done by the Office of State Assessed Properties in the Office of the Comptroller. These types of documents are currently confidential when obtained by local assessors but it was unclear if the statute providing confidentiality applies to assessments made by the Comptroller.

MISCELLANEOUS

- **Assessment Appeals Commission – Public Chapter 482** increased the per diem for the members of the Assessment Appeals Commission from \$75 per day to \$95 per day.
- **Industrial Development Board Lessees – Public Chapter 449** requires lessees that lease property from an industrial development board, a public building authority, a sports authority, a health, education and housing corporation, a city or a county to file information concerning the lease with the State Board of Equalization and a copy of such information with the assessor. The filing with the State Board must be made on or before October 1 of each year and the filing with the assessor must be made on or before October 15 of each year. A lessee that fails to file the report timely will be subject to a \$50 late filing fee which will be payable to the

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State Board. In addition to this late filing fee, the lessee will also owe an additional payment of \$500 to the county if the report is not filed within 30 days after written demand. The additional \$500 due the county would be collectable by the trustee in the same manner as property taxes. The State Board or the assessor would be responsible to certify that such additional payment is due for failure to file the report.

- **Sale of Tax Receivables – Public Chapter 58** adds Shelby County to the list of counties that are authorized to sell its tax receivables to public or private parties and to enter into purchase and sale agreements for the sale of tax receivables. The Act also clarifies that if a governmental entity chooses to discharge, reduce, delay or otherwise compromise the payment of any tax receivables that have been sold, such action will not be effective unless the government entity first pays to the purchaser of the tax receivable the amount of the tax receivable payments that have been discharged, reduced, delayed or otherwise compromised.
- **Property Tax Clean-up – Public Chapter 132** made several clean-up changes to existing property tax statutes. The Act clarified certain deadline language in the property tax statutes that may have been considered ambiguous or may have been interpreted contrary to the language of the statute. T.C.A. sections 67-1-1005(a) (Greenbelt application deadline), 67-5-903(b) (personal property reporting schedule deadline), 67-5-903(e) (amended personal property schedule deadline), and 67-5-1412(e) (appeals from county board of equalization to State Board of Equalization deadline) were amended by deleting the language “prior to”, “until”, and “before”, respectively, and thereby substituting the language “on or before” in each of those places.

ATTORNEY GENERAL OPINIONS

- **Proration of Ad Valorem Taxes on Real Property at Time of Sale (Opinion No. 06-122)** – The General Assembly does not have the authority to enact a statute which would require the collection of property taxes and extinguishment of the current’s years tax lien at the time of the sale of real property using the most recently established tax rate and assessment. Such a statute would violate the Tennessee Constitution’s uniform taxation provision because it could result in the under-taxation of property that is sold prior to the establishment of the tax rate for that year. The General Assembly could enact a provision requiring the seller of the property to remit the seller’s pro rata portion of the estimated taxes on the property, which payment ultimately could be applied to the property’s tax bill for that year.
- **Assessor’s Deadline for Accepting or Rejecting Amended Tangible Personal Property Schedules (Opinion No. 07-27)** - Tennessee’s property tax code did not impose a deadline for the Assessor of Property to accept or reject an amended tangible personal property schedule submitted pursuant to Tenn. Code Ann. § 67-5-903(e).
NOTE: Public Chapter 292 requires the assessor to review and either accept or reject an amended personal property schedule within 60 days from the receipt of the amended schedule.
- **Property Tax Freeze (Opinion No. 07-33)** – The amendment to Article II, Section 28, of the Tennessee Constitution permitting the General Assembly to establish a property tax freeze program requires the General



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Assembly to determine the amount of the income or wealth that will entitle an elderly taxpayer to a property tax freeze. The amendment does not authorize the local legislative bodies to determine the income or wealth limits and does not authorize the General Assembly to delegate this power to the localities. The amendment to the Constitution requires the General Assembly to determine the amount by general law.

- **Attorney's Fees for Collecting Delinquent Taxes Used for Other Purposes (Opinion No. 07-34)** – Pursuant to Tenn. Code Ann. § 67-5-2401(a)(1)(A), in the majority of Tennessee's counties the Trustee may negotiate a lower rate than 10% with the delinquent tax attorney and distribute the difference to those entities expressly outlined in Tenn. Code Ann. §§ 67-5-2501 and -2506 as provided for by the procedures outlined in the statute. Distribution of the delinquent tax penalty must follow these specific statutory guidelines. Tenn. Code Ann. § 67-5-2501(a)(3) states:

Up to ten percent (10%) of the sales proceeds shall be applied first to the payment of any unpaid balance of compensation due the prosecuting attorney. Second, the proceeds of the sale shall be applied to the costs of the suits. Third, the remainder shall be applied to the state first, county second, and municipality third, the amount due each to be ascertained by decree of the court.

Accordingly, in most counties when the trustee negotiates, subject to the approval of the county legislative body, to allow less than the full 10% penalty collected on delinquent taxes to the delinquent tax attorney, the remainder of the funds must be distributed to the expressly identified entities in the descending order in which they are listed in Tenn. Code Ann. §§ 67-5-2501(a)(3) and -2506(a)(3). A county may not distribute the remaining funds outside the prescribed order, nor may they be distributed to specific entities not expressly listed in the statute.

- **Assessor's Authority to Reduce Assessment (Opinion No. 07-37)** – The Assessor of Property is required to make assessments of all property in the county no later than May 20 of each year. After May, the Assessor's authority to change assessments is limited to obvious clerical mistakes authorized under Tenn. Code Ann. § 67-5-509. This statute only allows the Assessor to correct certain errors or omissions which include only obvious clerical mistakes, involving no judgment of or discretion by the assessor, name or address of an owner, the location or physical description of property, misplacement of a decimal point or mathematical miscalculation, errors of classification, and duplicate assessments. Tenn. Code Ann. § 67-5-509(f).
- **Property Tax Relief for Disabled Homeowners (Opinion No. 07-103)** – By its terms, House Bill 1629/Senate Bill 1050 (Public Chapter 539) amended only the provisions of Tenn. Code Ann. § 67-5-702, relative to property tax relief for elderly homeowners. These provisions do not apply to disabled homeowners who are covered by Tenn. Code Ann. § 67-5-703.
- **Implementation of the Property Tax Freeze Program (Opinion No. 07-108)** – The Property Tax Freeze Program was enacted by Public Chapter 581 of the Acts of 2007. The Act was effective July 1, 2007 and applies to tax years beginning on and after January 1, 2008. Accordingly, a county or municipality can adopt a resolution or ordinance adopting a property tax

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freeze program after July 1, 2007 but the program cannot apply until the tax year beginning January 1, 2008. If a county or municipality passes a resolution in 2007, the property tax assessed for 2007 will determine the "base tax" to be subject to the tax freeze. A county or municipality may pass a resolution or ordinance adopting the property tax freeze program before the State Board of Equalization has promulgated rules, regulations, policies and procedures but the legislative body must ensure that its program conforms to the requirements of the Board.

- **Applicability of the Property Tax Freeze Act to Special School Districts (Opinion No. 07-109)** – A special school district may not establish a property tax freeze program under the Property Tax Freeze Act. Under Article II, Section, of the Tennessee Constitution the General Assembly is only authorized to allow the legislative body of any county or municipality to establish a property tax freeze program. The Constitution does not allow the General Assembly to extend the authority to a special school district.



Tax Relief Supervisor

KIM DARDEN
24 Years of Service



TIM DOWLEN
22 Years of Service



CRISTI GREEN
2 Years of Service



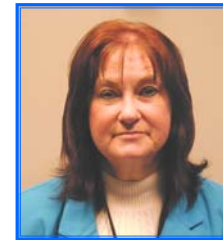
MELBA HARTMAN
5 Years of Service



MELODY HILL
14 Years of Service



BARBARA HOWELL
3 Years of Service



JOHNNIE HOWELL
3 Years of Service



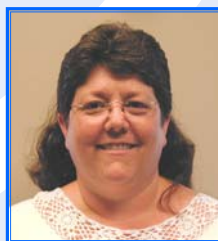
JENNIFER MARTIN
6 Years of Service



ERIN REED
9 Months of Service



PAULA WETHERILL
20 Years of Service



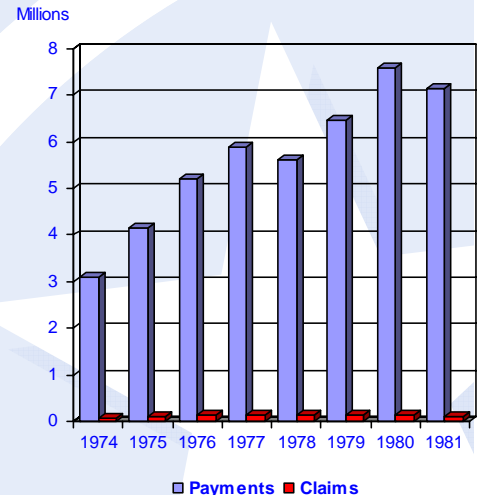
MAUREEN WYCOFF
24 Years of Service

PROPERTY TAX RELIEF PROGRAM

PAST -

- **Goals** – The Tax Relief Program was created in 1973 to assist low-income elderly, disabled taxpayers, regardless of age, and qualifying disabled veterans as well as their surviving spouses with the rising cost of property taxes. Rising property values and in many instances, the fixed income of the elderly, were making it harder to continue to own property. The initial goals were: design a delivery system and a verification process for applicants that would provide tax relief for both county and city taxing jurisdictions.
- **Claims** – In the first year, 61,000 claims were paid to applicants on real property assessed value up to the limit of \$1,250.00, whose total combined income for property owners was \$4,800. The total annual payment in 1973 was \$3,098,763. Although the income and value limit were relatively small, claims and annual payments increased until 1980 when the attorney general's opinion eliminated retroactive payments. The number of claims has stabilized at approximately 88,000. By 2005, elderly and disabled homeowners were receiving tax relief on real property assessed values up to the limit of \$4,500 and whose combined income of all owners did not exceed \$12,980.00. Qualifying disabled veterans and surviving spouses of disabled veterans received tax relief on real property assessment values up to the limit of \$37,500 with no income restrictions.

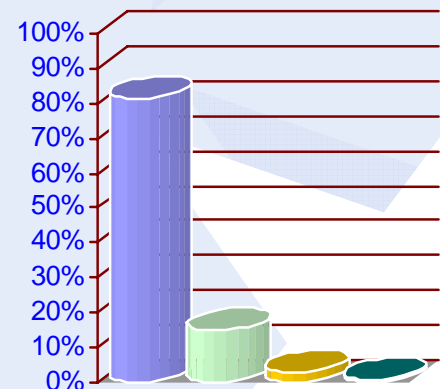
Total Payments and Claims from 1974-1981



PRESENT -

- **Goals** – Tax Relief's current goals address improvements in the delivery and administration of the program. Automation capabilities that are a part of Tax Relief's new computer application used in processing applications and on-line filing of tax relief claims by the majority of the state's jurisdictions has had a significant impact on improving the administration of this program. These improvements coupled with the seminars presented annually to share information with the collecting officials and the brochures that are distributed to every jurisdiction informing potential applicants about the program have significantly improved the delivery of this essential service.
- **Claims** – With significant increases in the income limit and assessed value, the number of new tax relief claims is expected to increase in fiscal year 2007. This year elderly and disabled homeowners received tax relief on up to \$6,250.00 of real property assessment value whose combined income of all owners is no more than \$20,000. The real property assessment value for disabled veterans and their surviving spouses has been increased to \$43,750.00.

Percentage of Annual Tax Relief by Group



	Elderly	Disabled	Disabled Veterans	Widow(er) of Disabled Veteran
Number of Claims *	73,411	12,865	2,356	722
Average Payment per Claim	\$149.33	\$159.46	\$628.29	\$660.45
Total Amount of Payments	\$10,679,669	\$1,795,198	\$1,541,769	\$495,371

*This chart represents tax year 2006 claims not people

FUTURE -

The tax relief staff will continually seek ways to provide this service more efficiently and with a human touch. The implementation of IMPACT will allow more automation and streamline processing of applications. With the advancement of technology, it is expected that tax relief will become a paperless program in the near future.

PROPERTY TAX RELIEF PROGRAM

TAX RELIEF CLAIMS AND AMOUNTS PAID BY CLASSIFICATION PER COUNTY

COUNTY	ELDERLY		DISABLED HOMEOWNER		VETERAN		VETERAN WIDOW(ER)		COUNTY TOTALS		PERSONS
	CLAIMS	AMOUNT	CLAIMS	AMOUNT	CLAIMS	AMOUNT	CLAIMS	AMOUNT	CLAIMS	AMOUNT	
ANDERSON	926	\$138,836	208	\$30,581	35	\$23,125	5	\$3,305	1174	\$195,848	906
BEDFORD	682	\$83,547	90	\$11,238	15	\$10,033	2	\$314	789	\$105,132	531
BENTON	383	\$52,250	82	\$11,010	5	\$2,635	1	\$511	471	\$66,405	373
BLEDSE	211	\$21,908	43	\$4,749	7	\$3,204	1	\$618	262	\$30,479	231
BLOUNT	1153	\$152,039	164	\$21,113	44	\$30,921	8	\$6,485	1369	\$210,557	1128
BRADLEY	1196	\$150,862	182	\$23,636	51	\$30,104	15	\$9,003	1444	\$213,605	1038
CAMPBELL	683	\$75,675	329	\$35,235	49	\$19,173	18	\$5,333	1079	\$135,417	871
CANNON	212	\$27,033	32	\$4,133	5	\$3,137	0	\$0	249	\$34,303	196
CARROLL	656	\$81,629	127	\$15,756	7	\$3,399	3	\$1,259	793	\$102,043	547
CARTER	1497	\$186,196	319	\$37,500	71	\$36,909	22	\$10,206	1909	\$270,811	1543
CHEATHAM	292	\$42,926	62	\$9,765	7	\$7,501	0	\$0	361	\$60,192	314
CHESTER	234	\$23,429	28	\$3,013	6	\$2,959	4	\$1,117	272	\$30,518	205
CLAIBORNE	461	\$64,759	166	\$23,051	34	\$19,527	3	\$1,693	664	\$109,030	663
CLAY	248	\$29,391	54	\$5,842	3	\$1,453	2	\$681	307	\$37,367	253
COCKE	735	\$104,620	167	\$23,341	37	\$24,603	5	\$2,840	944	\$155,404	787
COFFEE	864	\$129,335	147	\$21,389	32	\$19,476	7	\$5,017	1050	\$175,217	696
CROCKETT	456	\$59,127	80	\$9,692	7	\$2,838	0	\$0	543	\$71,657	380
CUMBERLAND	488	\$38,718	99	\$7,838	20	\$8,041	3	\$851	610	\$55,448	531
DAVIDSON	2930	\$829,555	449	\$126,395	50	\$78,889	30	\$46,404	3459	\$1,081,244	3431
DECATUR	295	\$22,766	34	\$2,528	9	\$2,080	1	\$78	339	\$27,451	261
DEKALB	336	\$31,844	67	\$6,701	7	\$3,033	0	\$0	410	\$41,578	301
DICKSON	546	\$72,215	71	\$9,795	21	\$13,654	15	\$9,079	653	\$104,742	462
DYER	784	\$104,391	187	\$24,570	3	\$1,562	0	\$0	974	\$130,523	658
FAYETTE	222	\$20,760	36	\$3,236	7	\$4,277	0	\$0	265	\$28,274	250
FENTRESS	598	\$52,115	262	\$22,512	5	\$2,540	5	\$1,126	870	\$78,293	820
FRANKLIN	806	\$96,946	123	\$15,405	18	\$10,180	9	\$4,980	956	\$127,511	635
GIBSON	1038	\$122,159	124	\$14,561	7	\$3,040	17	\$8,170	1186	\$147,930	749
GILES	521	\$79,887	88	\$13,647	14	\$5,913	0	\$0	623	\$99,447	490
GRAINGER	457	\$63,160	102	\$13,306	10	\$5,625	0	\$0	569	\$82,091	568
GREENE	1147	\$124,724	249	\$26,577	32	\$17,003	9	\$4,348	1437	\$172,652	1163
GRUNDY	430	\$63,297	151	\$20,998	10	\$3,904	1	\$799	592	\$88,998	537
HAMBLEN	1484	\$149,093	220	\$23,392	32	\$14,098	6	\$3,037	1742	\$189,619	1188
HAMILTON	3184	\$535,967	430	\$72,393	143	\$111,499	36	\$31,016	3793	\$750,876	2352
HANCOCK	225	\$25,986	45	\$5,097	11	\$5,216	0	\$0	281	\$36,298	280
HARDEMAN	399	\$46,449	80	\$9,869	7	\$3,531	0	\$0	486	\$59,849	398
HARDIN	448	\$35,151	88	\$7,051	12	\$3,531	2	\$623	550	\$46,356	411
HAWKINS	1168	\$145,389	271	\$33,481	50	\$24,198	6	\$3,602	1495	\$206,670	1158
HAYWOOD	450	\$54,452	56	\$6,883	1	\$139	0	\$0	507	\$61,474	347
HENDERSON	515	\$58,924	80	\$9,060	6	\$3,283	2	\$585	603	\$71,852	472
HENRY	624	\$76,040	133	\$16,274	15	\$6,300	3	\$832	775	\$99,446	547
HICKMAN	348	\$47,530	64	\$8,858	6	\$3,520	1	\$661	419	\$60,569	361
HOUSTON	137	\$19,453	27	\$3,590	5	\$2,668	1	\$863	170	\$26,573	127
HUMPHREYS	271	\$28,535	35	\$3,452	7	\$2,154	5	\$1,641	318	\$35,782	236
JACKSON	368	\$53,605	101	\$14,544	4	\$1,468	0	\$0	473	\$69,617	439
JEFFERSON	568	\$57,252	116	\$11,469	18	\$9,796	7	\$2,111	709	\$80,628	588
JOHNSON	481	\$53,770	121	\$11,906	7	\$3,722	4	\$1,568	613	\$70,966	558
KNOX	3778	\$639,793	616	\$103,127	102	\$73,793	41	\$30,115	4537	\$846,828	3079
LAKE	182	\$21,440	62	\$6,438	4	\$1,246	0	\$0	248	\$29,124	148

PROPERTY TAX RELIEF PROGRAM

TAX RELIEF CLAIMS AND AMOUNTS PAID BY CLASSIFICATION PER COUNTY

COUNTY	ELDERLY		DISABLED		VETERAN		VETERAN WIDOW(ER)		COUNTY TOTALS		PERSONS
	CLAIMS	AMOUNT	CLAIMS	AMOUNT	CLAIMS	AMOUNT	CLAIMS	AMOUNT	CLAIMS	AMOUNT	
LAUDERDALE	735	\$100,827	91	\$12,069	10	\$4,136	0	\$0	836	\$117,032	581
LAWRENCE	1180	\$173,860	191	\$28,195	16	\$8,440	9	\$3,670	1396	\$214,164	1029
LEWIS	332	\$34,202	39	\$3,699	5	\$2,523	0	\$0	376	\$40,423	263
LINCOLN	530	\$55,365	46	\$4,582	10	\$5,582	4	\$1,671	590	\$67,200	455
LOUDON	443	\$44,571	67	\$6,732	22	\$10,832	3	\$2,406	535	\$64,541	380
MCMINN	809	\$77,026	126	\$12,217	25	\$9,538	7	\$2,561	967	\$101,341	675
MCNAIRY	712	\$80,564	144	\$15,953	15	\$7,593	3	\$771	874	\$104,883	689
MACON	551	\$65,179	99	\$12,157	8	\$3,509	1	\$460	659	\$81,305	493
MADISON	890	\$118,077	84	\$11,000	33	\$16,628	9	\$3,791	1016	\$149,496	657
MARION	364	\$36,166	79	\$8,376	23	\$10,570	6	\$2,399	472	\$57,512	399
MARSHALL	437	\$61,022	62	\$8,818	12	\$7,587	1	\$1,247	512	\$78,674	319
MAURY	1076	\$130,229	117	\$14,653	17	\$12,529	7	\$4,175	1217	\$161,586	801
MEIGS	129	\$12,147	33	\$3,271	5	\$2,240	0	\$0	167	\$17,658	144
MONROE	675	\$70,772	168	\$17,859	25	\$12,720	10	\$4,047	878	\$105,398	694
MONTGOMERY	795	\$126,917	135	\$21,110	149	\$105,023	59	\$42,057	1138	\$295,106	782
MOORE	52	\$6,478	10	\$1,175	6	\$4,036	1	\$849	69	\$12,538	69
MORGAN	337	\$58,467	159	\$27,386	7	\$5,014	1	\$332	504	\$91,199	486
OBION	772	\$85,568	91	\$9,855	9	\$4,772	6	\$1,925	878	\$102,120	573
OVERTON	770	\$84,417	141	\$15,100	8	\$1,784	2	\$285	921	\$101,586	759
PERRY	226	\$26,695	32	\$3,587	2	\$809	1	\$367	261	\$31,458	228
PICKETT	213	\$20,192	74	\$6,853	3	\$1,415	3	\$776	293	\$29,236	244
POLK	243	\$34,335	61	\$8,683	6	\$3,740	0	\$0	310	\$46,758	263
PUTNAM	1017	\$122,206	144	\$18,162	28	\$16,231	7	\$3,424	1196	\$160,023	839
RHEA	425	\$37,709	53	\$5,080	21	\$6,789	3	\$1,397	502	\$50,975	372
ROANE	775	\$92,172	148	\$17,926	24	\$14,252	8	\$4,838	955	\$129,188	697
ROBERTSON	460	\$54,189	60	\$7,413	15	\$10,371	6	\$2,927	541	\$74,900	383
RUTHERFORD	1047	\$131,296	131	\$17,240	50	\$36,653	9	\$6,409	1237	\$191,599	850
SCOTT	699	\$93,343	308	\$41,748	22	\$11,264	1	\$1,096	1030	\$147,451	883
SEQUATCHIE	194	\$20,063	53	\$5,769	19	\$7,634	0	\$0	266	\$33,466	181
SEVIER	709	\$54,048	102	\$7,908	38	\$15,423	4	\$1,375	853	\$78,754	755
SHELBY	8732	\$2,009,912	1025	\$235,028	266	\$284,105	132	\$136,899	10155	\$2,665,943	6433
SMITH	272	\$31,331	45	\$5,504	6	\$2,638	4	\$1,408	327	\$40,881	257
STEWART	213	\$27,330	35	\$4,809	18	\$10,321	8	\$3,417	274	\$45,877	235
SULLIVAN	2761	\$405,469	631	\$89,752	98	\$56,455	15	\$7,708	3505	\$559,384	2421
SUMNER	1073	\$119,558	147	\$16,457	52	\$33,140	11	\$7,205	1283	\$176,359	811
TIPTON	417	\$55,318	76	\$9,786	16	\$9,248	8	\$3,851	517	\$78,203	388
TROUSDALE	103	\$22,423	22	\$4,658	4	\$3,591	0	\$0	129	\$30,672	129
UNICOI	542	\$56,555	106	\$10,386	16	\$8,642	4	\$1,511	668	\$77,094	524
UNION	299	\$31,028	71	\$7,116	9	\$3,528	0	\$0	379	\$41,672	378
VAN BUREN	94	\$11,555	21	\$2,302	2	\$518	0	\$0	117	\$14,375	110
WARREN	747	\$97,184	128	\$16,749	9	\$4,087	10	\$4,497	894	\$122,517	673
WASHINGTON	1500	\$164,708	200	\$21,597	88	\$42,981	24	\$13,732	1812	\$243,018	1246
WAYNE	509	\$57,749	121	\$13,346	6	\$3,138	2	\$574	638	\$74,808	497
WEAKLEY	519	\$56,777	89	\$9,599	9	\$3,414	6	\$2,212	623	\$72,002	420
WHITE	604	\$67,448	93	\$10,341	8	\$3,769	1	\$359	706	\$81,917	564
WILLIAMSON	709	\$82,094	60	\$6,285	23	\$17,495	10	\$6,177	802	\$112,051	543
WILSON	603	\$80,202	80	\$10,909	35	\$24,163	16	\$9,694	734	\$124,968	580
TOTALS	73411	\$10,679,669	12865	\$1,795,198	2356	\$1,541,770	722	\$495,371	89354	\$14,512,008	66359

These totals represent processed applications as of June 30, 2007 for the 2006 tax year.



Appraisal Training Coordinator

BILL GIBBS
25 Years of Service



TONY LAMB
22 Years of Service

APPRAISAL TRAINING

APPRAISAL TRAINING

PAST - The 1966 Tax Policy Study Commission established the initial goal of providing uniformity and equity of assessments across the state. The conclusions of the commission were “the assessor of property’s office is one of the weakest links in county government. Assessors as a general rule hand copied assessment rolls from year to year without keeping track of changing property values. County Boards were mainly boards of reduction.” To this end the Division of Property Assessments and the Assessor Certification and Education Program were established in 1967. The division duties were to provide guidance for the reappraisal programs through technical assistance and the development of manuals and establish policies and procedures that aid in the administration and maintenance of the assessment system. In addition the division was to educate assessment administrators to upgrade on a continuous basis the standards and professional levels of the assessment process in the State of Tennessee.

The Assessor Certification and Education Program administered by the division’s Education Coordinator had state and county boards of equalization, assessment, mapping and tax relief staff as the initial clients. The goal of providing equity and uniformity in assessment practices and efficiency in administration would be aided through education. While state and county assessment staffs were the initial clients, the results of the Assessor Certification and Education Program would encompass all citizens of Tennessee by providing reliable assessments, maintenance and accurate inventory of all properties in Tennessee.

- **Appraisal Training** - The first appraisal courses, Appraisal Techniques I and Appraisal Techniques II, were scheduled twice in 1969 in two locations. The four classes had a total of 143 participants. These appraisal courses were also supplemented with seminars designed to improve data entry, mapping maintenance, tax relief and county boards of equalization. In conjunction with the University of Tennessee and the International Association of Assessing Officers (IAAO), approximately four to six appraisal courses were held annually through 1977. These were predominately entry level courses 1, 2 and 3.

International Association of Assessing Officers

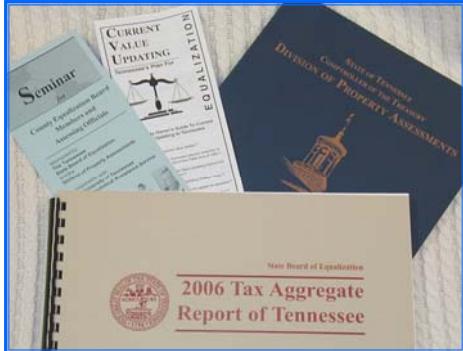


The original policy addressing course attendance did not require the student to set for the exam or reveal the results. A minority of course participants often elected to keep results confidential or skip the exam. This circumstance made gauging technical and professional development difficult.

- **Division Courses** - The division realized that to sustain the improvements made in assessment and mapping programs, courses specific to Tennessee assessment law and the Tennessee base mapping program would need to be developed. The division developed three courses for statewide instruction: Laws and Essentials, Basic Mapping and Advanced Mapping. These courses were developed in the latter 70's to compliment the seminars produced by division staff and appraisal courses offered through IAAO. These in-house courses became the backbone of the educational impetus for ensuring equity and uniformity in appraisal and mapping.

APPRAISAL TRAINING

Reports, Brochures and Pamphlets

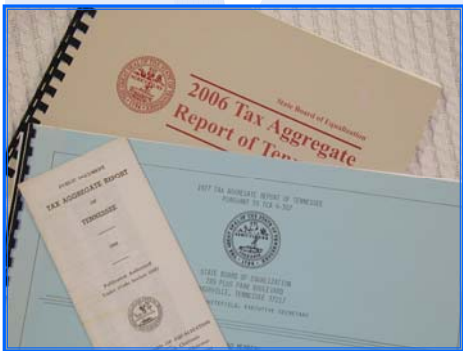


These represent a few of the publications available on our website at <http://www.comptroller.state.tn.us/cpd/vpa.htm>

- **Assessor Certification and Education Program** - By 1974, Tennessee had seventy (70) state and county employees with certifications. Twenty-two of those individuals had achieved the CAE Designation offered through IAAO. In order to encourage professional development and track individual employee progress, the Division of Property Assessments created the Training Section in 1975 under Hap Duncan. As encouragement for county participation, incentive compensation for county assessment staff achieving certifications and designations was funded at \$500.00 for CAE and \$250.00 for TCA. By 1978 there were eighty-three (83) county and division staff certified as TCA and Incentive compensation had increased to \$1,000.00 for CAE Designations and \$500.00 for TCA Certifications.

The education section's initial goal was to establish an educational vehicle that would provide the rudimentary appraisal and assessment training necessary to accomplish the goal of state-wide reappraisals with state assistance. Originally only CAE and RES Designees were recognized through the Assessment Certification Program. As assessment has evolved the Assessor Education and Education Program has had to evolve as well, making revisions that address the changing needs of assessors and their staff. The Tennessee Assessment Certification and Education Program was formally adopted in 1977 and established five (5) State Certification Levels. Prior to the creation of Level I, II, IV and V, only "TAC" and "TCA" Certifications were available to assessment personnel. The program retained the "TCA" as Level III and eliminated the "TAC", replacing it with Level I and Level II.

The Evolution of the Tax Aggregate Report



- **Training File Maintenance** - Originally educational records were composed on the typewriter and kept in paper copy format. Class attendance records were also typed and kept in paper format. These records were maintained in a manual fashion and correction of errors and revisions were accomplished through manual review of course rosters and revisions of individual training histories through the typewriter. Retrieval of records for individuals or groups of individuals by employer was quite time consuming and laborious.

PRESENT - The current goal of the Training Section is to provide entry level courses that provide a foundation for new assessment employees, advanced appraisal courses to enhance appraisal skills, annual seminars to inform and educate County Boards of Equalization and administer a Assessment Certification Program that will enhance appraisal expertise for all assessment staff in Tennessee.

- **1946 Total Assessed Value - \$1,715,259,188**
- **1978 Total Assessed Value - \$11,380,662,668**
- **2006 Total Assessed Value - \$116,127,119,350**

In addition to the maintenance of training records and the Assessment Certification and Education Program, the Training Section has also been given responsibility for most of the publications produced by the DPA. The Training Section designs, composes and edits the Annual Report for the division as well as the annual Tax Aggregate Report. Pamphlets used for seminars and course materials for division classes are also developed and published through the Training Section.

APPRAISAL TRAINING

- Appraisal Training** - The Training Section is now web based. The Training Section now provides an annual training calendar with up to fourteen (14) classes per year in multiple locations. The calendar appears on the Division of Property Website and is accessed by state and county assessment staff daily. It is also a resource used by other states and countries to access appraisal training. The registration process has improved significantly in the past forty years. The redesigned registration form now provides lodging information and tracks book requirements for each student, reducing unnecessary purchases. The division policy now requires students to set for the exam, in those courses that provide testing, providing a more reliable measure of each student's development. During the 2007 fiscal year technical appraisal training was provided to 290 state and county assessment staff members through fourteen (14) classes in two locations, Nashville and Memphis.

The IAAO contract is now initiated for three year cycles on a certified basis. This keeps fees constant for three years, provides better budget predictions and the certified contract basis allows the DPA to use division staff to instruct many courses, controlling costs. In 1983 the total cost of IAAO appraisal education (tuition and books only) for state and county assessment staff was \$16,387.50. One hundred and twenty-one (121) students attended courses that year at a cost of \$135.43 per student in tuition and book fees. The total cost for fiscal 2007 was \$44,910 for 217 students. Forty-one students in 2007 were private participants that paid \$14,365 to attend. The total division cost was \$30,545 for 176 students, a per student cost for tuition and books of \$173.55. This reflects the cost control measures installed by the Training Section to control annual expenses.

County Board of Equalization Seminars had approximately 200 attending five separate locations in fiscal 2007.

- Assessor Certification and Education Program** - The Assessment Certification and Education Program had revisions in 2004 that established three Certification Levels with incentive compensation: The financial incentive is \$750.00 for TCA, \$1,000.00 for TMA and \$1,500.00 for CAE and is paid to county employees only. The program has thirty-two (32) CAE Designations, fifty-eight (58) TMA Certifications and one hundred ten (110) TCA Certificate holders. The revisions were designed to encourage professional development for county and state assessment staff members.

The State Board of Equalization paid incentive compensation (county employees only) to ten (10) CAE holders, eight (8) TMA and thirty-eight (38) TCA Certificate holders. 279 TCA's have been certified since the program began in 1977. There are currently one hundred and thirteen (113) active state and county employees that hold the TCA Certificate and seventy-eight (78) that hold the TMA. Forty-three individuals achieved Assessment Level Certification for fiscal 2007.

The TCA rules governing certifications and IAAO requirements for designations can now be accessed through the web. This has increased individual awareness and interest in the program as evidenced by the increase of employees awarded certification levels in 2007.

2007 Course Registration Form

2007 Course Registration Form

INSTRUCTIONS FOR COMPLETING THIS FORM

This is the only form you will need for registration. Complete a separate form for each course. This form should be completed for each registration and course. If you need additional forms, make a copy of this one. All courses are on a first come first serve basis. You should receive a confirmation letter and registration 2 weeks prior to the class. (Nashville courses are held in the hotel)

Accommodations: Please use "N" in the course box and test box if you are needed. All about rooms in the hotel. (Nashville courses are held in the hotel). Please use "N" in the course box and test box if you are needed. All about rooms in the hotel. (Nashville courses are held in the hotel).

Other Accommodations: Please use "N" in the course box and test box if you are needed. All about rooms in the hotel. (Nashville courses are held in the hotel).

PERSONAL DATA (Print or Type)

Name (Last, First, Middle) _____ (First, Last, Middle) _____
 Social Security (last 4 digits) _____ Email _____
 Employer _____
 Office Address _____
 City _____ State _____ Zip _____
 Phone () _____ Fax () _____
 DPA Employee: Yes _____ No _____ (Must have attached Approval Form to be processed)
 IAAO Member: Yes _____ No _____ Designation: CAE RES CMS FPS AAS TCA TMA _____

COURSE DATES AND FEES

Tuition	Course & Location	Date	Cut-Off Date	Test Date	Test Fee	Total Due
\$500	IAAO Course 801 - Advanced Mapping Methods & Applications	July 9-13	June 11	June 11	\$40	\$540
\$500	IAAO Course 802 - Fundamentals of Mass Appraisal	July 23-27	June 25	June 25	\$40	\$540
\$500	IAAO Course 803 - Principles and Techniques of Computer Mapping	Aug 13-17	July 16	July 16	\$40	\$540
\$500	IAAO Course 804 - Fundamentals of Professional Appraisal Practice	Sept 24-28	Aug 27	Aug 27	\$40	\$540
\$500	IAAO Course 805 - Commercial Modeling Concepts	Oct 1-5	Sept 3	Sept 3	\$40	\$540
\$500	IAAO Course 806 - Assessment of Personal Property	Nov 5-9	Oct 8	Oct 8	\$40	\$540
\$500	IAAO Course 807 - Fundamentals of Real Property Appraisal	Nov 19-23	Nov 12	Nov 12	\$40	\$540

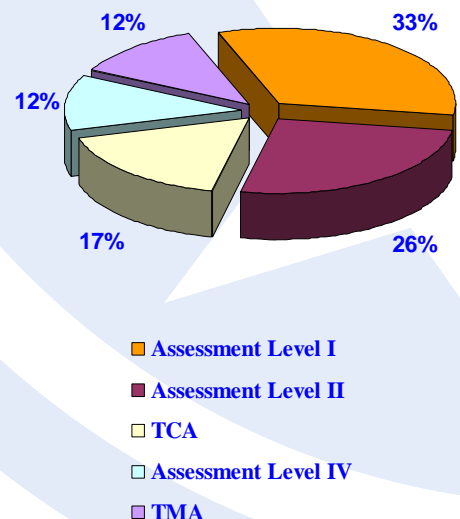
COMPLETE AND RETURN THIS FORM TO:

Assessment Training Section
 Office of Management Services
 1000 N. 3rd Street, Suite 100
 Nashville, TN 37203-1000
 Fax: (615) 253-1000

METHOD OF PAYMENT

If payment must accompany this application, payment may be made by check, money order, or government purchase order. Checks or money orders should be made payable to: **Commissioner of the Treasury**. Cash is **NOT** accepted.

Assessment Certification Breakdown



APPRAISAL TRAINING

- **Training File Maintenance** - All records are now computerized enhancing maintenance and tracking for each participant. Individual files can now be accessed by employer (regional or county), individual name and social security number. This feature has enabled division supervisors and county assessors to develop training cycles for each employee so that certifications and designations are achieved in a timely fashion. Training records are sent out once a year to the individual for confirmation of completeness and accuracy. The records cover the years of 1969-2007 and represent 38 years of professional assessment improvement.

Educational files are maintained for Seven hundred and thirty-seven (737) state and county employees. Approximately 28% attend appraisal courses annually.

FUTURE - The original goals of the Training Section will not change, but the delivery of information and the maintenance of that information will. Technology will dictate the future development of the Training Section. Training materials and delivery methods have improved. LCD's and notebooks have replaced projectors and vis-à-vis pens. The classroom environment will be the next candidate for change. Classes through the web and individual access to training materials and instruction through the web will create a new learning experience.

- **Appraisal Training** – In order to accommodate the diverse needs of the state and county assessment staff, access to training opportunities through a web based environment would be a reasonable evolution. Students should be able to attend courses through internet access and study at their own pace. Testing would then be scheduled periodically throughout the year and in various locations. This enhancement would allow counties and the division to reduce budget expenditures for overnight travel. Division courses would be a likely first candidate for this evolution.

Training emphasis is shifting to more technical development. The statewide GIS program and the evolution of the mass appraisal process will require more courses related to computer software application for digital mapping and mass appraisal of property. The past forty years has been spent acquiring accurate data and implementing reliable and equitable procedures to ensure uniformity in assessment. The future will be our opportunity to pursue new methods of applying and using the data.

- **Assessor Certification and Education Program** – While data base enhancements to the training file have improved implementation of the Certification and Education Program, the program is still predominately a manual process. Files must be reviewed upon request to determine assessment level certification, course requirements etc. Programming improvements for the software could automate the process so that determinations regarding certification requirements would be made electronically. This would still require manual oversight but would speed the process.

APPRAISAL TRAINING

- **Training File Maintenance** - While the integrity of the data would remain a critical priority, web based access to individual training information would improve employee feedback regarding errors and omissions. The access would be limited to read only with no editing capabilities. This would allow a vested interest by the individual in the file integrity.

Annual updates should eventually be sent through email, reducing our reliance on paper documentation and mailing costs. Storage will be predominately electronic eliminating much of the storage capacity required for archiving paper documentation.

Course and Number of Participants from Private, State and County Agencies for FY 2006-2007

IAAO Education	Workshop 550-Fixed Assets Valuation	NA	Conferences / Seminars	<i>Continued</i>	
	Course 101-Fundamentals of Real Property Appraisal	39		ESRI Conference	7
	Course 102-Income Approach to Valuation	18		URISA Conference	3
	Course 112-Income Approach to Valuation II	21		County Officials Association of Tennessee Conference	9
	Course 122-Assessment and Appraisal Institute	NA		IAAO MJCSPC Seminar - GIS/CAMA	6
	Workshop 151-Standards of Practice and Professional Ethics	27		ESRI Creating & Editing	3
	Workshop 155-Depreciation Analysis	NA		International Association of Assessing Officers Conference	8
	Workshop 163-Marshall & Swift Cost Approach Commercial	NA		Legal Issues for State Government Lawyers	1
	Course 201-Appraisal of Land	13		TAAO Summer Meeting	11
	Course 207-Industrial Property Appraisal	NA		TAAO Spring Meeting	12
	Course 300-Fundamentals of Mass Appraisal	NA		TCSA Annual Conference	5
	Course 310-Applications of Mass Appraisal Fundamentals	NA		TCSA Post Legislature Seminar	4
	Course 311-Residential Modeling Concepts	49		IAAO Committee Meeting	1
	Course 312-Commercial/Industrial Modeling Concepts	33		Managing Performance	5
	Course 319-Multiple Regression Analysis	NA		Tennessee Administrative Support	8
	Course 321-Application of Residential Modeling Concepts	NA		TNGIC Conference	8
	Course 400-Assessment Administration	17		Legal Ethics	1
	Course 402-Tax Policy	NA		Government Practice	2
	Course 500-Assessment of Personal Property	NA		Coaching	1
	Course 600-Principles and Techniques of Cadastral Mapping	NA		ESRI Summit	2
	Course 601-Advanced Mapping	NA		ARC GIS I	2
	Course 700-Comprehensive Designation Review Course	NA		TOTAL	99
	<u>IAAO Exam Retakes & Challenges</u>	<u>2</u>			
	TOTAL	219			
DPA Education	Tennessee Assessment Law & Appraisal Fundamentals	28	Special Exams		3
	Local Board of Equalization Seminars:			TOTAL	3
	<i>Jonesborough</i>	40			
	<i>Cookeville</i>	28			
	<i>Jackson</i>	46			
	<i>Knoxville</i>	26			
	<i>Nashville</i>	48			
	<u>Basic Mapping-Nashville/Knoxville</u>	<u>45</u>			
	TOTAL	261			

ASSESSORS & TRUSTEES

<u>COUNTY</u>	<u>ASSESSOR</u>	<u>TRUSTEE</u>	<u>COUNTY</u>	<u>ASSESSOR</u>	<u>TRUSTEE</u>
ANDERSON	VERNON LONG	RODNEY ARCHER	LAUDERDALE	JERRY BUCKNER	STEVE CARMACK
BEDFORD	RONDA HELTON CLANTON	PEGGY J. BUSH	LAWRENCE	BARBARA KIZER	CINDY BENEFIELD
BENTON	LINDA ARMSTRONG	SHERRY BEASLEY	LEWIS	BOB JOHNSTON	JOE GARNER
BLED SOE	PHILLIP CAGLE	DEANNA H. RAINS	LINCOLN	TAMMY MOORE	MARY J. PORTER
BLOUNT	MIKE MORTON	SCOTT GRAVES	LOUDON	CHUCK JENKINS	ESTELLE HERRON
BRADLEY	STANLEY THOMPSON	MICHAEL J. SMITH	MC MINN	DON COWART	PHILLIP TUGGLE
CAMPBELL	BILL HICKS	MONTY BULLOCK	MC NAIRY	BETTY ASHE	STANLEY MITCHELL
CANNON	DONALD PRESTON	JAMES MAXWELL	MACON	RICK SHOULDERS	DIANE COOK
CARROLL	JOHNNY RADFORD	PAT RICH	MADISON	FRANCES HUNLEY	WILMA ALLEN
CARTER	GERALD HOLLY	RANDAL LEWIS	MARION	JUDY BREWER	DAVID KIRK
CHEATHAM	BETTY BALTHROP	DOT JONES	MARSHALL	LINDA HAISLIP	MARILYN R. ERVIN
CHESTER	BEVERLY MORTON	LANCE BESHIRE	MAURY	JIM DOOLEY	STEVE KONZ
CLAIBORNE	KAY SANDIFER	ALICE ALEXANDER	MEIGS	TIM PROFFIT	CAROLYN WATTENBARGER
CLAY	BILLY R. SMITH	CHARLIE KEY	MONROE	MICHAEL SHADDEN	CHARLIE MILLER
COCKE	MARGARET SORRELL	ALFRED HOGAN	MONTGOMERY	RONNIE BOYD	BRENDA RADFORD
COFFEE	JIMMY WHITE	JAMES WILHELM	MOORE	WAYNE HARRISON	LYNN D. HARRISON
CROCKETT	GARY REASONS	GARY SPRAGGINS	MORGAN	GUILFORD WILSON	JOYCE NORTHRUP
CUMBERLAND	RALPH BARNWELL	CAROLYN TURNER	OBION	KATHY ROBERTSON	LORI SEALS
DAVIDSON	JO ANN NORTH	CHARLIE CARDWELL	OVERTON	LARRY KING	PEGGY CLARK SMITH
DECATUR	RANDY SMITH	JANIS WRIGHT BOYD	PERRY	GARRY HORNER	GEORGE DUNCAN
DEKALB	TIMOTHY BANKS	SEAN DRIVER	PICKETT	LARRY ANDERSON	JENNIFER ANDERSON
DICKSON	GAIL WREN	GLYNDA PENDERGRASS	POLK	RANDY YATES	PATSY JENKINS
DYER	JANIE GREGSON	JUDY PATTON	PUTNAM	RHONDA CHAFFIN	GAIL GLOVER
FAYETTE	MARK WARD	BARBRA PARKER	RHEA	JULENE PURSER MORGAN	NEVA WEBB
FENTRESS	ROGER COMPTON	JERRY ROYSDEN	ROANE	TERESA KIRKHAM	WILMA EBLEN
FRANKLIN	PHILLIP HAYES	RANDY KELLY	ROBERTSON	F.E. HEAD	SANDRA F. HEAD
GIBSON	LINDA TILLEY	LEANNE SMITH	RUTHERFORD	JOHN BARBEE	TEB BATEY
GILES	ROBERT MCGILL	JO ANN TOWNSEND	SCOTT	STEVE THOMPSON	JIMMY BYRD
GRAINGER	JOHNNY MORGAN	DONALD A. NANCE	SEQUATCHIE	JAMES CONDRA	LARRY S. LOCKHART
GREENE	RALPH BOWERS	DAN WALKER	SEVIER	JOHNNY KING	JETTIE B. CLABO
GRUNDY	JOANNE CHILDERS	LUCYLE HAMPTON	SHELBY	RITA CLARK	BOB PATTERSON
HAMBLEN	KEITH ELY	WILLIAM H. BRITAIN	SMITH	TERRY COLLINS	LEE ANN WILLIAMS
HAMILTON	BILL BENNETT	CARL LEVI	STEWART	CONNIE BRIGHAM	WILBY M. WILLIAMS
HANCOCK	WAYNE WALLEN	KEN MAYES	SULLIVAN	BOB ICENHOUR	FRANCES HARRELL
HARDEMAN	NORMA KIRK	MARY W. POWELL	SUMNER	JOHN ISBELL	MARTY NELSON
HARDIN	CALVIN HINTON	LINDA L. MCCASLAND	TIPTON	BILL STIMPSON	KRISTIE GLASS MAXWELL
HAWKINS	DON CINNAMON	PATSY CHARLES COURTNEY	TROUSDALE	BOBBY SATTERFIELD	KAY CELSOR
HAYWOOD	DARE SIMPSON	WILLIAM L. HOWSE	UNICOI	BILL GAINES	PAUL BERRY
HENDERSON	DANNY GARNER	DAVID FRIZZELL	UNION	RONNIE IRICK	GINA BUCKNER
HENRY	CHARLES VAN DYKE	DAVID STONE	VAN BUREN	PAM MOONEYHAM	TAMMIE H. CLENDENON
HICKMAN	DELTON MAYBERRY	CHERYL CHESSOR	WARREN	CAROLYN MILLER	DARLENE BRYANT
HOUSTON	TYANNE MORRISON	JIMMY LOWERY	WASHINGTON	MONTY TREADWAY	JACK D. DANIELS
HUMPHREYS	VICKIE COWELL	WANDA D. ADKINS	WAYNE	BILLY VENCION	JANICE SMITH
JACKSON	KIM HAMMOCK	VERNON RAGLAND	WEAKLEY	DAVID TUCK	DONALD DOSTER
JEFFERSON	ROBERT CAVANAH	GINGER FRANKLIN	WHITE	TINA MILLER	BRENDA C. OFFICER
JOHNSON	B. C. STOUT	SUE HENSLEY	WILLIAMSON	DENNIS ANGLIN	W. J. DAVIS
KNOX	JOHN WHITEHEAD	FRED SISK	WILSON	JIMMY LOCKE	JIM MAJOR
LAKE	BUDDY MOORE	TAMMIE HOPPER			

For a complete listing of Assessor and Trustee addresses and phone numbers, visit our website at www.comptroller.state.tn.us/cpdvpa.htm and click on the Assessment Information for Each County link.

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GIS/Mapping Manager

ROGER LOWE
32 Years of Service



GIS/Mapping Supervisor

ROGER JONES
36 Years of Service



TERESA BECK
10 Years of Service



PARIVASH BIGDELI
8 Years of Service



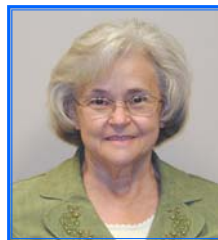
TIM BURGETT
3 Years of Service



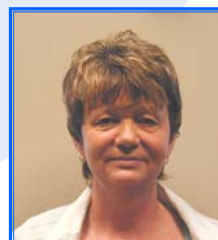
MATTHEW HILL
3 Years of Service



DERRICK HUGHES
2 Years of Service



HELEN MCCLAIN
9 Years of Service



BARBARA
RICHARDSON
3 Years of Service

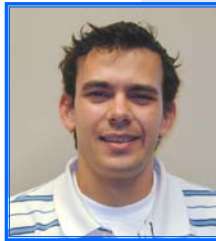
OFFICE OF LOCAL GOVERNMENT GIS/MAPPING

OFFICE OF LOCAL GOVERNMENT GIS/MAPPING



DAVID TIRPAK
7 Years of Service

GIS/Mapping Manager



ADAM GAINES
1 Year of Service



CHUCK HOLLIS
4 Years of Service



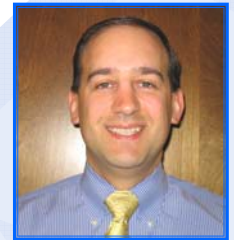
MELVIN HUFFMAN
4 Years of Service



T.J. MUZOREWA
2 Years of Service



JIMMY REEVES
21 Years of Service



DARRIN THOMPSON
1 Year of Service



JEREMY WEBER
3 Years of Service

GIS/MAPPING

Early Planimetric Base map



PAST - Prior to the mid 1960's there was very little evidence of a systematic approach to the assessment process in Tennessee. Few counties had any kind of "Tax Maps," and the typical assessment records consisted of a book or set of books (depending on the size of the county) that were arranged by civil district and contained the names of the property owners. Other information found in the tax books, often referred to as tax rolls, consisted of the size of the tract, the adjoining owners and a value. Once a year, this information was used to determine the amount of taxes due by a property owner.

This process was ineffective for many reasons. Assessments were often duplicated because a new owner could be added without the old owner being removed. Many properties were not listed at all because accurate maps were not available. Properties that were listed often had incorrect sizes, and values were seldom current, resulting in massive inequities.

In 1965 two Tennessee railroad company's petitioned state and federal courts. The railroads argued that they were discriminated against by virtue of their property being assessed at higher rates than locally assessed property although the Constitution mandated uniform valuation. The end result of this litigation required that a statewide reappraisal and mapping program be developed that would classify and assess all properties in Tennessee uniformly. The responsibility of developing this system was placed under the jurisdiction of the State Comptroller of the Treasury in 1967, thus creating the State Board of Equalization (SBOE) and the Division of Property Assessments (DPA).

Manual Mapping Maintenance



- **Maps** - To create the parcel maps, aerial photographs were made of all the land within Tennessee's boundaries. These photographs were used to create a grid system to account for all the properties for each county. The maps were created in two scales: one inch equals 100 feet and one inch equals 400 feet creating a standard size map of 24 by 36 inches. The 100 foot scale is used for urban areas while the 400 foot scale map is used for the rural areas. The new parcel maps consisted of property lines, property identification numbers, tree lines, building structures, roads, creeks and other information essential to the assessment function. The effort to create parcel maps for all counties was a massive undertaking and required the services of professional mapping contractors. Funding for these contracts was shared by state and local governments. The program created a division of tasks, with the contractors doing the mapping and the state providing standards and specifications as well as inspectors. The completed state-wide mapping program was the first of its kind when completed in 1979.
- **Maintenance** - Once the mapping program was completed counties were required to keep their maps current. Using deed descriptions retrieved from the Office of the Register of Deeds, the assessor would map parcel splits and consolidations on the parcel map. Based on an updating schedule, established by the DPA, the parcel changes were conveyed to the Nashville office where they were manually drawn on the original

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source document. Copies of the updated source documents were then provided to the assessor in order for the county to continue with their parcel updates.

- **Staffing** - The DPA's original staff for the maintenance of the source documents for the first counties produced consisted of one employee. This employee retired in 2005 having a combined 38 years of service in map maintenance and assessment functions with the Division. Two current employees, Roger Jones and Roger Lowe, have been with the state-wide mapping program since the early 70s. Currently, they are responsible for managing a staff of nine employees and overseeing the daily operations of the program.
- **Office of Local Government (OLG)** - In 2005, the division mapping staff and the map maintenance responsibilities were placed under the oversight of the Office of Local Government (OLG). This department also manages the redistricting program and provides analytical and development support to counties participating in the statewide Tennessee Base Mapping Program (TNBMP).

Digital GIS Map



PRESENT -

- **Tennessee Base Mapping Program (TNBMP)** - In 1996 the Comptroller's office partnered with the Department of Finance and Administration to implement a comprehensive statewide Tennessee Base Mapping Program (TNBMP). This program required all county parcel maps to be converted to a digital format using the state adopted software ARC/INFO to create a Geographic Information System (GIS). Environmental System Research Institute (ESRI) of Redlands California is the developer of this software. Using this software, digital ortho-imagery and a digital parcel database, the OLG/GIS Mapping staff and the county assessor have the capability of updating parcel maps in a digital environment. Additionally, this program provides a link between the property map and the assessment database (CAAS) which provides both state and local assessment personnel with the ability to view and query assessment data in a whole new way.
- **Participation in TNBMP** - Counties participation in the TNBMP program is based on interest and funding from local entities. Counties choosing to participate and perform local maintenance are required to fund 25 percent of the total cost for the digital products while the state funds the remaining 75 percent. Counties choosing not to participate will continue to update their paper maps and submit them to the Office of Local Government/GIS Mapping Section. GIS technicians capture the parcel map changes digitally and apply them to the parcel database. After completing the updates new maps are produced and provided to the counties in order for the assessor to continue with the ongoing parcel updating cycle.
- **TNBMP Pilot** - The pilot phase of the program began with five counties (Hamilton, Lewis, Maury, Montgomery and Sullivan) in 1996. Based on what was learned from the pilot counties, modifications were made to the specifications prior to the beginning of production of the remaining counties in 2000.

Monitoring Assessor Data



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Currently, there are 40 counties that are participating in the TNBMP and performing local maintenance in a GIS environment. Davidson, Knox and Rutherford counties perform local maintenance but are not participating in the TNBMP. The remaining counties are maintained digitally by the state's Office of Local Government/GIS Mapping Section. Refer to the map at the end of this section that illustrates counties maintained by the state and those that perform local maintenance.

On the fortieth anniversary of the Division of Property Assessments formation the Comptroller's Office and the Department of Finance and Administration are proud to announce that the TNBMP program will be completed in the summer of 2007. This program began in 1996 with five pilot counties and will end with the completion of Cocke County. The process of converting the original source documents into a digital format was a major financial undertaking. A team of state, county and contractor personnel contributed to the program's success. The end product of the completion of TNBMP and the conversion to digital parcel data is that it can be shared and used by many different clients, not just assessment personnel. Government entities, utilities, emergency management, police, fire, and the private sector are using the data to manage information accurately and make informed decisions that improve the services they provide.

Map Reproduction Improvements



FUTURE -

- **Local Maintenance** - The Tennessee Base Mapping Program (TNBMP) is nearing completion and many challenges lie ahead for the Office of Local Government (OLG). The 40 counties currently participating in the program will continue to require assistance and technical support to preserve the integrity of the data. It is projected that within the next five years the number of counties electing to perform local maintenance using GIS technology will grow to approximately 55 to 60 counties. OLG must be prepared to provide additional resources for monitoring, training and support for these counties.
- **Parcel Accuracy** - The end goal of the OLG and the DPA is to provide current parcel data from all counties to the state, federal and local government agencies. This will be accomplished through a state-wide enterprise geodatabase comprised of parcel-level data produced through the TNBMP. Counties performing local maintenance will have the capability of providing daily parcel updates to the enterprise system by leveraging web-service technology. The benefit of submitting daily updates on line is that the property map data will be up-to-date with the CAAS database resulting in a match between the two data sets. This will provide assessment personnel with accurate time sensitive data that represents the current spatial and descriptive data found on the ground, resulting in efficient and accurate real property valuations.
- **Centralized Maintenance** - Managing and sharing current parcel data online is an excellent approach in ensuring the user receives a quality product. However, for those counties maintained by the GIS Mapping Section it will be difficult to acquire and manage the updates on a daily

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basis. Currently, a staff of nine is responsible for updating 52 counties. Most are updated during a 12 to 18 month period. If local funding is available and the GIS Mapping schedule permits an effort is made to update them more often. Although, this schedule has met the needs for both state and county assessment personnel in the past it does not provide a data match between the spatial and the tabular assessment information. Until all of these counties are performing local maintenance the OLG must be creative, resourceful and explore different options that will allow these counties to be updated daily. Funding, staffing, hardware and software requirements, and the logistics of scheduling and updating these counties simultaneously are obstacles that the OLG must overcome to achieve this goal. The end result will be a superior product that can be shared with the private sector, all governmental entities and the people of Tennessee.

ANALYSIS, DEVELOPMENT & REDISTRICTING

PAST - The Office of Local Government (OLG) was created on March 19, 1963 as an office operating under the Comptroller of the Treasury for the purpose of providing assistance to local governments.

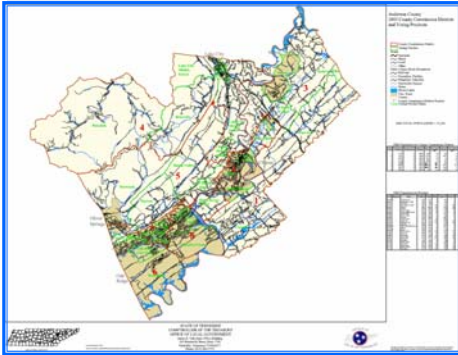
Under the general guidelines of the functions ascribed to the Office of Local Government fall a number of duties, assigned by the Comptroller, which serve to improve local governments and the state as well. With multiple State agencies offering technical assistance of various kinds to local governments, the Office of Local Government often acts as a coordinating body. In that capacity the office evaluates the merits of technology and services available to local governments.

Following are selected highlights of initiatives the Office of Local Government has been involved in:

- **1966 Statewide Base Mapping** – Work began on a statewide, uniform planimetric base map which would be relatively free of distortion and which would have a multitude of uses by other agencies and departments, all at a cost substantially less than the cost of preparing such maps individually for cities and counties in Tennessee. This base map has been the nucleus for all subsequent state mapping and reappraisal programs.
- **Evaluating computer applications** – OLG implemented the use of an IBM computer in 1968 to assist a number of Tennessee counties in reapportioning their county courts. This may well have been the first instance of OLG using a technology that has become synonymous with the Office of Local Government – Geographic Information Systems (GIS).
- **Provide Data to the U.S. Census Bureau** – Reapportionment was and continues to be a major part of the OLG operations. In particular, the U. S. Census Bureau relies on these data for each decennial nationwide census. The OLG has conducted redistricting with the use of GIS exclusively since the 1990 U.S. Census.

OFFICE OF LOCAL GOVERNMENT GIS/MAPPING

Anderson County Voting Precincts Map



- **Research and Publication** – The OLG began many of the study and support functions now handled by other divisions within the Office of the Comptroller, including OSAP, SBOE, OREA, DPA and Assessment Systems. Examples of publications resulting from studies include an operational manual for county sheriffs, an action guide for telecommunication issues, and a guide to recognizing fiscal distress in local governments.
- **2000 Statewide Base Mapping** – Both the OLG and the Division of Property Assessments (DPA) partnered with the Office for Information Resources (OIR) to convert all state property maps to a digital format. This project resulted in a statewide seamless digital cadastre and digital orthographic photo base that surpassed any other state initiative in America. The net effect was to turn all parcel maps into intelligent data for use with CAAS and any other database by leveraging both Relational Data Base Management Systems (RDBMS) and GIS technologies.

PRESENT - The OLG continues its technical developments and analysis in redistricting and GIS, much of which directly support the DPA. For FY 2006-07 these include:

- **GIS Maintenance Architecture** – A technical initiative to keep the State's digital Base Map up-to-date and accurate, and to distribute this data. This initiative involves data replication and web services integration.
- **IMPACT** – OLG participates in both the IMPACT core team and the IMPACT evaluation team.
- **Tennessee Base Mapping Program (TNBMP)** – As steward of the approximately 3 million digital parcels in the State Base Map, OLG supports local governments and state agencies in GIS use, maintenance and technology, and develops programmatic solutions for many GIS tasks.
- **2010 U. S. Census** – Work has already begun on supplying and supporting Tennessee Base Map data to the U.S. Census Bureau for use in the 2010 census.
- **Redistricting** – The OLG is actively engaged in reapportionment in the state, including data maintenance, oversight, analysis, and monitoring of County Commission Districts and Voting Precincts. The OLG is the steward of state redistricting data – excluding Legislative Redistricting – and a conduit of the data between each county and the federal government. The OLG provides reports, redistricting maps and the U.S. Census Bureau's 2000 redistricting version of the TIGER line files on the Office of Local Government's internet web site.
<http://comptroller.state.tn.us/cpdivlg.htm>
- **Performance Manager** – The OLG designed and developed an application to track activities related to all applicable performance measures in the OLG Annual Strategic Plan.

Grundy County Parcel Boundary Planimetric Map



OFFICE OF LOCAL GOVERNMENT GIS/MAPPING

- **Regional GIS Support** – DPA mapping and chosen DPA regional staff were brought under the OLG operational umbrella in order to concentrate support for assessors engaged in local maintenance of their digital parcels, as well as to promulgate GIS technology in a coordinated manner across the state.

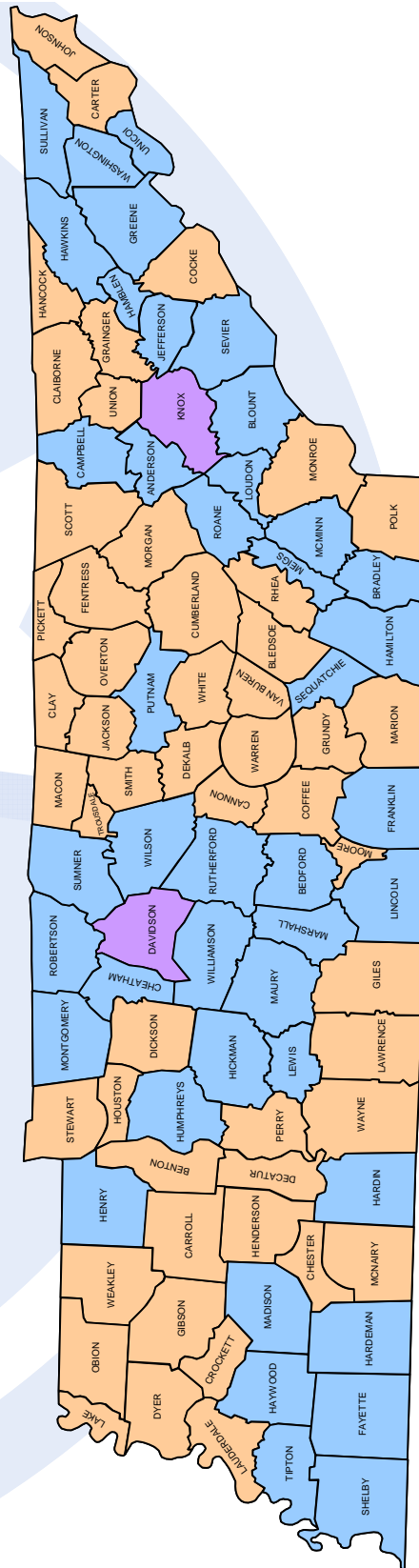
FUTURE - Much of the OLG's future will be driven by enhancement of the products developed for present use by the Comptroller and the development of complimentary products that expand the usefulness and application of existing products.




- **Federal Government Collaboration** – The OLG will continue to work closely with OIR to establish federal government partnerships.
- **Tennessee Map (TNMap)** – This OIR initiative, based on the federal government model known as The National Map, will create a new electronic map of Tennessee. The TNMap will give access to a variety of high-resolution Tennessee GIS data through a web portal via web services. The OLG digital parcel data will be one of the larger data collections on the TNMap and will require many OLG resources to help facilitate this ambitious project.
- **2010 U. S. Census** – The use of the OLG redistricting and parcel-level data will bring unprecedented geo-spatial accuracy to the U. S. census Bureau's TIGER line files for the state of Tennessee.
- **IMPACT** – OLG/GIS will play a key role in the implementation of a geo-spatial component in the IMPACT project.
- **GIS** – The OLG will continue to support both DPA and county property assessor GIS initiatives. Additionally, OLG will make our data, technology and expertise available to any division within the Office of the Comptroller wishing to use GIS, either for individual custom projects or as new business areas in their operations.
- **Redistricting** – The OLG will revamp the digital redistricting program by migrating the redistricting data to enterprise geodatabase, and by offering an on-line application allowing county election officials to digitally update their redistricting data over the internet.

Digital Raster Graphics Example



STATE AND COUNTY MAINTENANCE CATEGORIES



-  Office of Local Government/Geographic information Systems (OLG/GIS) Mapping Maintenance – 51 counties
-  County Maintenance- 41 counties
-  Counties that perform local maintenance but are not participating in the TNBMP – 2 Counties



*Reflecting the Past
Serving the Present
Shaping the Future*

Comptroller of the Treasury
Division of Property Assessments

1967-2007

40th



Recognizing 40 Years of Assessment Administration - 2007 Annual Report

40TH ANNIVERSARY



Recognizing 40 years of Assessment Administration

Forty years ago the Eighty-fifth General Assembly of the state of Tennessee established the Division of Property Assessments (DPA) in the office of the Comptroller of the Treasury. Governor Buford Ellington signed the law establishing the division on May 25, 1967. The initial role of the DPA was to supervise the statewide mapping and reappraisal programs. As property tax legislation and technology evolved, so did the role of the DPA. Over the course of its forty year history the DPA has added the Personal Property Program, oversight and administration of the Property Tax Relief Program, technical and professional training for state and county assessment personnel, support and service of the computer appraisal system, appraisal ratio studies and current value updating to those initial responsibilities.

The DPA began with nine employees in the Capitol Boulevard Building. By 1970 the DPA had moved to the Andrew Jackson Building and remained there until October of 1974. From October 1974 through October 1976 the DPA was housed at 301 14th Avenue North, while the computer section remained in the Andrew Jackson Building. In October 1976 the entire division was relocated to 289 Plus Park Boulevard and remained there until the move in 1980 to the current location in the James K. Polk State Office Building.

While the DPA has experienced many changes since its creation, the one constant has been in the office of the Comptroller of the Treasury. With the retirement of William R. Snodgrass in 1999, the office of the comptroller lost a remarkable leader with an illustrious career in public service. Following a seamless transition the present Comptroller of the Treasury, John G. Morgan, provides strong leadership and support that enables the DPA to achieve remarkable improvements as we continue administering Tennessee's superior property tax system.





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